

12-26-2000



101562458

NOV 28

fe

11-28-00

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 # 101473557
- 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
09132000
- Merger
- Change of Name
- Other []

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year
09132000

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
- 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.)

12/22/2000 GTOM11 00000270 76072410

FOR OFFICE USE ONLY

01 FC:482 25.00 0P

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: 002199 FRAME: 0702

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

(203) 921-2325

Name

Melissa Lopes- Paralegal

Address (line 1)

Paul, Hastings, Janofsky & Walker LLP

Address (line 2)

1055 Washington Blvd.

Address (line 3)

Address (line 4)

Stamford, CT 06901

Pages

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

#

18

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)

76072410

76072411

Registration Number(s)

75739943

1297636

Number of Properties

Enter the total number of properties involved.

#

4

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

115.00

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.

Melissa Lopes

Name of Person Signing

Signature

11/27/00

Date Signed

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of September 13, 2000, is made by EACH OF THE GRANTORS LISTED ON THE SIGNATURE PAGES HERETO AND EACH ADDITIONAL PARTY WHICH BECOMES A GRANTOR HERETO PURSUANT TO SECTION 8 HEREOF (each, a "Grantor" and collectively, "Grantors"), in favor of BHF (USA) CAPITAL CORPORATION, in its capacity as Collateral Agent for Lenders (in such capacity, "Collateral Agent").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Senior Subordinated Loan Agreement dated as of the date hereof by and among FELTERS HOLDINGS CO., after giving effect to the Felters Assumption Agreement (as defined in the Loan Agreement referred to below), THE FELTERS COMPANY, a Delaware corporation, BHF (USA) CAPITAL CORPORATION, in its capacity as Administrative Agent and Arranger (in such capacities, "Agent"), and the Persons signatory thereto from time to time as Lenders (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement"), Lenders have agreed to make Loans to Grantors;

WHEREAS, in order to induce Agent and Lenders to enter into the Loan Agreement and other Credit Documents and to induce Lenders to make the Loans as provided for in the Loan Agreement, Grantors desire to grant a continuing Lien on the Collateral (as hereinafter defined) to Collateral Agent, for the benefit of Agent and Lenders, to secure all of the Secured Obligations;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. Unless otherwise defined herein, all capitalized terms used but not otherwise defined herein have the meanings given to them in the Loan Agreement.

"Copyright License" shall mean any and all rights now owned or hereafter acquired by any Credit Party under any written agreement granting any right to use any Copyright or Copyright registration (to the extent any such agreement does not prohibit such Credit Party from granting a security interest in its rights hereunder, provided, that the foregoing exclusion shall (a) in no way be construed so as to limit, impair or otherwise affect the Collateral Agent's unconditional continuing security interests in and Liens upon any rights or interests of any Credit Party in or to any monies due or to become due under any such agreement, and (b) no longer apply upon the termination of such applicable prohibition).

"Copyrights" shall mean all of the following now owned or hereafter acquired by any Credit Party: (a) all copyrights and general intangibles of like nature (whether registered or unregistered), now owned or existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings and applications in the United States Copyright Office or in any similar office or

agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof, and (b) all reissues, extensions or renewals thereof.

“License” shall mean any Copyright License, Patent License, Trademark License or other license of Intellectual Property rights or interests now held or hereafter acquired by any Credit Party.

“Patent License” shall mean rights under any written agreement now owned or hereafter acquired by any Credit Party granting any right with respect to any invention on which a Patent is in existence (to the extent any such agreement does not prohibit such Credit Party from granting a security interest in its rights hereunder, provided, that the foregoing exclusion shall (a) in no way be construed so as to limit, impair or otherwise affect the Collateral Agent’s unconditional continuing security interests in and Liens upon any rights or interests of any Credit Party in or to any monies due or to become due under any such agreement, and (b) no longer apply upon the termination of such applicable prohibition).

“Patents” shall mean all of the following in which any Credit Party now holds or hereafter acquires any interest: (a) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State or Territory thereof, or any other country, and (b) all reissues, continuations, continuations-in-part or extensions thereof.

“Secured Obligations” shall mean, collectively, (a) in the case of the Borrower, all of its Obligations under the Loan Agreement and (b) in the case of the other Grantors, all of their Guaranteed Obligations under the Guaranty.

“Trademark License” shall mean rights under any written agreement now owned or hereafter acquired by any Credit Party granting any right to use any Trademark (to the extent any such agreement does not prohibit such Credit Party from granting a security interest in its rights hereunder, provided, that the foregoing exclusion shall (a) in no way be construed so as to limit, impair or otherwise affect the Collateral Agent’s unconditional continuing security interests in and Liens upon any rights or interests of any Credit Party in or to any monies due or to become due under any such agreement, and (b) no longer apply upon the termination of such applicable prohibition).

“Trademarks” shall mean all of the following now owned or hereafter acquired by any Credit Party: (a) all trademarks, trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature (whether registered or unregistered), now owned or existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof; (b) all reissues, extensions or renewals thereof; and (c) all goodwill associated with or symbolized by any of the foregoing.

2. GRANT OF SECURITY INTEREST IN INTELLECTUAL PROPERTY COLLATERAL. To secure the complete and timely payment of all the Secured Obligations of Grantors now or hereafter existing from time to time, each Grantor hereby pledges and grants to Collateral Agent, on behalf of itself, Agent and Lenders, a continuing first priority security interest in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Intellectual Property Collateral"):

- (a) all of its Patents and Patent Licenses to which it is a party including those referred to on Schedule I hereto;
- (b) all of its Trademarks and Trademark Licenses to which it is a party including those Trademark registrations and applications for registrations referred to on Schedule II hereto;
- (c) all of its Copyrights and Copyright Licenses to which it is a party including those U.S. Copyright registrations referred to on Schedule III hereto;
- (d) all reissues, continuations, continuations-in-part, renewals, re-examinations or extensions of the foregoing;
- (e) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and
- (f) all products and proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future (i) infringement of any Patent or Patent licensed under any Patent License, (ii) infringement or dilution of any Trademark or Trademark licensed under any Trademark License, (iii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License, and (iv) infringement of any Copyright or Copyright licensed under any Copyright License.

3. REPRESENTATIONS AND WARRANTIES. Each Grantor jointly and severally represents and warrants that such Grantor does not have any interest in, or title to, any Patent, Trademark or Copyright Registration or application for registration except as set forth in Schedule I, Schedule II and Schedule III, respectively, hereto. This Intellectual Property Security Agreement is effective to create a valid and continuing Lien on and, upon the filing, with appropriate recordation, cover sheets and recording, hereof with the United States Patent and Trademark Office and the United States Copyright Office together with payment of the appropriate filing fees, perfected security interests in favor of Collateral Agent in all of Grantors' U.S. Patents, and U.S. federally registered Trademarks and Copyrights and such perfected security interests are enforceable as such as against any and all creditors of, and purchasers from, Grantors. Upon filing and recording of this Intellectual Property Security Agreement with the United States Patent and Trademark Office and the United States Copyright Office and the filing of appropriate financing statements listed on Schedule I to the Security Agreement, together with

payment of the appropriate filing fees, all action necessary to protect and perfect Collateral Agent's Lien on Grantor's U.S. Patents, Trademarks and Copyrights shall have been duly taken.

4. COVENANTS. Each Grantor jointly and severally covenants and agrees with Collateral Agent, on behalf of itself, Agent and Lenders, that from and after the date of this Intellectual Property Security Agreement and until the later of the date on which (i) the Loans have been indefeasibly repaid in full and all other Obligations under the Loan Agreement have been completely discharged, and (ii) Borrower shall not have any further right to borrow any monies under the Loan Agreement (the "Termination Date"):

(a) Each Grantor shall promptly notify Collateral Agent and Agent if it knows or has reason to know that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) is likely to become abandoned or dedicated, or of any adverse determination (including the institution of, or any such determination in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding such Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) In no event shall any Grantor, either directly or through any agent, employee, licensee or designee, file an application for the registration of any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency without giving Collateral Agent and Agent prior written notice thereof, and, upon reasonable request of Collateral Agent, such Grantor shall execute and deliver a supplement hereto (in form and substance satisfactory to Collateral Agent) to evidence Collateral Agent's, on behalf of itself, Agent and Lenders, Lien on such Patent, Trademark or Copyright, and the General Intangibles of such Grantor relating thereto or represented thereby.

(c) Except to the extent any Grantor determines in its reasonable business judgment that maintaining or pursuing any such application or registration is no longer necessary or desirable in the conduct of its business or operations, each Grantor shall take all actions reasonably necessary or reasonably requested by Collateral Agent to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents or Trademarks (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.

(d) In the event that any of the Intellectual Property Collateral is infringed upon, or misappropriated or diluted by a third party, each Grantor shall notify Collateral Agent and Agent promptly after such Grantor learns thereof. Each Grantor shall, unless it shall reasonably determine that such Intellectual Property Collateral is not material to the conduct of its business or operations, promptly take such actions to enforce its rights and protect such Intellectual Property Collateral, whether by action, suit, proceeding or otherwise, as Grantor shall deem necessary or appropriate under the circumstances in its reasonable business judgment or as Collateral Agent may otherwise reasonably request.

5. SECURITY AGREEMENT. The security interests granted pursuant to this Intellectual Property Security Agreement are granted in conjunction with the security interests granted to Collateral Agent pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Collateral Agent with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

6. REINSTATEMENT. This Intellectual Property Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Grantor for liquidation or reorganization, should any Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of any Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7. NOTICES. Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Intellectual Property Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in Section 11.4 of the Loan Agreement.

8. ADDITIONAL GRANTORS. The initial Grantors hereunder shall be those Grantors as are signatories hereto on the date hereof. From time to time subsequent to the date hereof, additional Grantors may become parties hereto (each, an "Additional Grantor"), by executing a counterpart of this Intellectual Property Security Agreement substantially in the form of Exhibit A attached hereto. Upon delivery of any such counterpart to Collateral Agent, notice of which is hereby waived by the Grantors, each Additional Grantor shall be a Grantor and shall be as fully a party hereto as if such Additional Grantor were an original signatory hereto. Each Grantor expressly agrees that its obligations arising hereunder shall not be affected or diminished by the addition or release of any other Grantor hereunder nor by any election of Collateral Agent not to cause any Credit Party to become an Additional Grantor hereunder. This Intellectual Property Security Agreement shall be fully effective as to any Grantor that is or becomes a party hereto regardless of whether any other Person becomes or fails to become or ceases to be a Grantor hereunder.

9. TERMINATION OF THIS SECURITY AGREEMENT. Subject to Section 6 hereof, this Intellectual Property Security Agreement shall terminate upon the Termination Date, and, at the Grantors' expense, the Collateral Agent shall execute such agreements and documents and take such other actions reasonably requested by the Grantors to

release any and all security interests granted hereby and to evidence the release of such security interests.

10. **SUBORDINATION**. Notwithstanding anything to the contrary contained herein, the Lenders recognize and acknowledge that all of the Collateral Agent's and their respective rights and remedies hereunder are junior and subordinate in right to the prior rights and remedies of the Collateral Agent and the Lenders (each, as defined in the Senior Debt Documents) under the Senior Debt Documents, and that the relative rights and priorities to and in the Collateral as between the Collateral Agent and the Lenders, on the one hand, and the Collateral Agent and the Lenders (each as defined in the Senior Debt Documents), on the other hand, are set forth in Section 8 of the Loan Agreement. The rights and priorities set forth in this Section 10 are solely for the benefit of the Collateral Agent and Lenders (each, as defined in the Senior Debt Documents) and may not be relied upon by any Credit Party signatory hereto or to the other Credit Documents.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

THE FELTERS COMPANY

By: *Roger A. Feherman*
Name: ROGER A FEHERMAN
Title: PRESIDENT / CEO

FELTERS HOLDINGS CO.

By: _____
Name:
Title:

ACCEPTED and ACKNOWLEDGED by:

BHF (USA) CAPITAL CORPORATION,
as Collateral Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

THE FELTERS COMPANY

By: _____
Name:
Title:

FELTERS HOLDINGS CO.

By: JA Muel
Name:
Title: President

ACCEPTED and ACKNOWLEDGED by:

BHF (USA) CAPITAL CORPORATION,
as Collateral Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

THE FELTERS COMPANY


By: _____
Name:
Title:

FELTERS HOLDINGS CO.

By: _____
Name:
Title:

ACCEPTED and ACKNOWLEDGED by:

BHF (USA) CAPITAL CORPORATION,
as Collateral Agent

By: 
Name: Eric M. Ferr
Title: Vice-President

By: 
Name: MARIA C. LEVY
Title: ASSOCIATE

ACKNOWLEDGMENT OF GRANTORS

STATE OF S.C.)
COUNTY OF Spartanburg) ss.

On this 11th day of September, 2000 before me personally appeared Ray A. Furman, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of THE FELTERS COMPANY, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Carrie L. Morehouse
Notary Public 3/22/2010

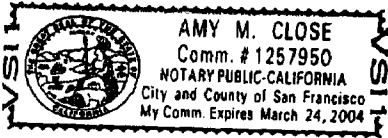
{seal}

STATE OF)
)
COUNTY OF) ss.

On this 11th day of September, 2000 before me personally appeared Jeffrey D. Miele, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of FELTERS HOLDINGS CO., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Amy M. Close
Notary Public

{seal}



SCHEDULE I
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. PATENT REGISTRATIONS

NONE

II. PATENT APPLICATIONS

<u>Grantor</u>	<u>Patent</u>	<u>Application No.</u>	<u>Date</u>
The Felters Company	Nonwoven Laminate Structure	09576720	5/23/00

III. PATENT LICENSES

<u>Grantor</u>	<u>Name of Agreement</u>	<u>Date of Agreement</u>	<u>Parties</u>
NONE			

SCHEDULE II
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. TRADEMARK REGISTRATIONS

<u>Grantor</u>	<u>Mark</u>	<u>Reg. No.</u>	<u>Date</u>
The Felters Company	THE FELTERS GROUP & design	75739943	3/28/00
The Felters Company	FIBERLOC	1297636	9/25/84

II. TRADEMARK APPLICATIONS

<u>Grantor</u>	<u>Mark</u>	<u>Application No.</u>	<u>Date</u>
The Felters Company	FIRELOC	76072410	2/6/00
The Felters Company	BLINDLOC	76072411	2/6/00

III. TRADEMARK LICENSES

NONE

SCHEDULE III
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. COPYRIGHT REGISTRATIONS

NONE

II. COPYRIGHT APPLICATIONS

NONE

III. COPYRIGHT LICENSES

NONE

EXHIBIT A

**COUNTERPART TO INTELLECTUAL
PROPERTY SECURITY AGREEMENT**

This counterpart, dated _____, [200__], is delivered pursuant to Section 8 of that certain Intellectual Property Security Agreement dated as of September 13, 2000 (as from time to time amended, modified or supplemented, the "IP Security Agreement"; the terms defined therein and not otherwise defined herein being used as therein defined), among Felters Holdings Co., The Felters Company and BHF (USA) Capital Corporation, as Collateral Agent. The undersigned hereby agrees (i) that this counterpart may be attached to the IP Security Agreement, and (ii) that the undersigned will comply with and be subject to, including representations and warranties, all the terms and conditions of the IP Security Agreement as if it were an original signatory thereto.

[NAME OF ADDITIONAL GRANTOR]

By: _____

Name:

Title: