

Form PTO-1594  
(Rev. 03/01)  
OMB No. 0651-0027 (exp. 5/31/2002)

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):  
American Fibers and Yarns Company

Individual(s)                       Association  
 General Partnership               Limited Partnership  
 Corporation-State Delaware  
 Other \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies)  
Name: The Chase Manhattan Bank  
Internal  
Address: Special Loan Group  
Street Address: 380 Madison Avenue, 9th Fl.  
City: New York State: NY Zip: 10166

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 Other NY Banking Corporation

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)  
Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:  
 Assignment                               Merger  
 Security Agreement                       Change of Name  
 Other \_\_\_\_\_

Execution Date: August 15, 2001

4. Application number(s) or registration number(s):  
A. Trademark Application No.(s) 75837735

B. Trademark Registration No.(s) 2118663  
1622603 1616797 2082343 1144232  
1609140 873466 1621282 811168

Additional number(s) attached  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
Name: Cindy D. Carey  
Internal Address: \_\_\_\_\_  
Clifford Chance Rogers & Wells LLP  
Street Address: 200 Park Avenue  
City: New York State: NY Zip: 10166

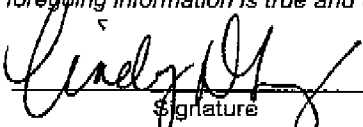
6. Total number of applications and registrations involved: 16

7. Total fee (37 CFR 3.41) \$ 415  
 Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number:  
18-1843  
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.

Cindy D. Carey                                                                            Aug 29, 2001  
Name of Person Signing                                      Signature                                      Date

Total number of pages including cover sheet, attachments, and document: 11

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patent & Trademarks, Box Assignments  
Washington, D.C. 20231

**SCHEDULE 1-A**

Registration Numbers

1469830  
1320807  
1320893  
1612986  
1656849  
1693768

Annex 4 to the  
Security Agreement

**TRADEMARK SECURITY AGREEMENT SUPPLEMENT**

WHEREAS, American Fibers and Yarns Company, a Delaware corporation (herein referred to as the "Grantor"), whose address is 761 Peachtree Parkway, Cumming, Georgia 30041-6825, (1) has adopted, used and is using, or (2) has intended to use and filed an application indicating that intention, but has not yet filed an allegation of use under Section 1(c) or 1(d) of the Trademark Act, or (3) has filed an application based on an intention to use and has since used and has filed an allegation of use under Section 1(c) or 1(d) of the Trademark Act, the trademarks, trade names, trade styles and service marks listed on the annexed Schedule 1-A, which trademarks, trade names, trade styles and service marks are registered in the United States Patent and Trademark Office (the "Trademarks"); and

WHEREAS, American Fibers and Yarns Company, a Delaware corporation (the "Borrower"), AFY Holding Company, a Delaware corporation ("Holdings"), each of the financial institutions from time to time party thereto (the "Lenders") and The Chase Manhattan Bank, a New York banking corporation ("Chase"), as administrative agent and collateral agent (in such capacity, the "Agent") for the Lenders have entered into an Amended and Restated Credit Agreement (the "Credit Agreement"), in connection with which the Agent is serving as agent for the Lenders.

WHEREAS, the Grantor has entered into an Amended and Restated Security Agreement (said Agreement, as it may hereafter be amended or otherwise modified from time to time being the "Security Agreement"), the terms defined therein and not otherwise defined herein being used herein as therein defined) in favor of the Agent; and

WHEREAS, pursuant to the Security Agreement, the Grantor has granted to the Agent a security interest in all right, title and interest of the Grantor in and to the Trademarks, together with all prints and labels on which said Trademarks have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, and the goodwill of the business symbolized by the Trademarks and the applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States of America, any State thereof, or any other country or any political subdivision thereof, all whether now or hereafter owned or licensable by Grantor, and all reissues, extensions or renewals thereof, all Trademark Licenses and all proceeds thereof, including, without limitation, any claims by the Grantor against third parties for infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Secured Obligations;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Grantor does hereby further confirm, and put on the public record, its grant to Agent a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Agent with respect to the grant of, security interest in and mortgage on the Collateral made hereby are more fully set forth in the Security Agreement; the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

NYA 362962.2

**TRADEMARK**  
**REEL: 002316 FRAME: 0044**

The Agent's address is The Chase Manhattan Bank, Special Loan Group, 380 Madison Avenue, New York, New York 10017, attention Agnes Levy.


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Schedule 1-A TO THE TRADEMARK SECURITY AGREEMENT SUPPLEMENT

<u>Trademark</u>	<u>Application or Registration Date</u>	<u>Application Serial No. or Registration No.</u>
ALPHA	12/09/1997	2118663
CONDESA DESIGN	11/13/1990	1622603
ESSERA	08/07/1990	1609140
ESSERA DESIGN	10/09/1990	1616797
FIBERLINES	07/22/1969	873466
IMPRESSA	07/22/1997	2082343
INNOVA	11/06/1990	1621282
MARQUESA (Stylized)	12/23/1980	1144232
MARVESS	07/19/1966	811168
PETROFIBER	12/22/1987	1469830
SYNERA	02/19/1985	1320807
SYNERA	02/19/1985	1320893
THE NATURALIZED YARN	09/11/1990	1612986
TRACE	09/10/1991	1656849
TRACE DESIGN	06/09/1992	1693768
AMERICAN FIBERS AND YARNS COMPANY AND DESIGN	11/02/99 (application date)	75837735 (application serial no.)

IN WITNESS WHEREOF, American Fibers and Yarns Company has duly executed or caused this Supplement to the Security Agreement to be duly executed as of August 15, 2001.

AMERICAN FIBERS AND YARNS COMPANY

By:   
Name: JOHN R. MAYS  
Title: VICE PRESIDENT OF FINANCE


STATE OF Georgia )  
COUNTY OF Forsyth ) ss.:

On this 21 day of July, 2001, before me personally appeared John R. Mays, to me known, who, being by me duly sworn, did depose and say that he/she resides at 761 PEACHTREE PKWY, CUMMING, GA and that he/she is VP-FINANCE of Grantor; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was affixed pursuant to authority of the Board of Directors of said corporation and that he/she signed his/her name thereto in his/her capacity as an authorized officer of said corporation pursuant to such authority.

Missy Anderson  
Notary Public  
My Commission Expires March 13 2005  
Fulton County Georgia

IN WITNESS WHEREOF, American Fibers and Yarns Company has duly executed or caused  
supplement to the Security Agreement to be duly executed as of August 15, 2001.

AMERICAN FIBERS AND YARNS COMPANY

By:   
Name: JOHN R. MAYS  
Title: VICE PRESIDENT OF FINANCE



STATE OF Georgia )  
 ) ss.:  
COUNTY OF Forsyth )

On this 27 day of July, 2001, before me personally appeared JOHN R. MAXS, to me known, who, being by me duly sworn, did depose and say that he/she resides at 761 PEACHTREE PKWY, CUMMING, GA and that he/she is VP - FINANCE of Grantor; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was affixed pursuant to authority of the Board of Directors of said corporation and that he/she signed his/her name thereto in his/her capacity as an authorized officer of said corporation pursuant to such authority.

Missy Anderson  
Notary Public

My Commission Expires March 13 2005  
Fulton County Georgia