



## TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of November 21, 2001, is made between PANDEL, INC., a Georgia corporation (the "Grantor"), and SUNTRUST BANK, as collateral agent (together with its successor(s) thereto in such capacity, the "Collateral Agent"), for the benefit of each of the Secured Parties.

### WITNESSETH:

WHEREAS, INTERFACE, INC., a Georgia corporation (the "Borrower") is party to that certain Third Amended and Restated Credit Agreement dated as of June 30, 1998, as amended by Amendment No. 1 to Third Amended and Restated Credit Agreement dated as of December 19, 2000 and as further amended by Amendment No. 2 to Third Amended and Restated Credit Agreement ("Second Amendment to Credit Agreement"), dated as of August 8, 2001 (as so amended, and as the same may hereafter be amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), by and among Grantor, INTERFACE EUROPE B.V., a "besloten vennootschap met beperkte aansprakelijkheid" (private company with limited liability) incorporated and existing under the laws of The Netherlands with its registered seat in Scherpenzeel, Gld., The Netherlands ("Europe B.V."), INTERFACE EUROPE LIMITED, a private company limited by shares organized and existing under the laws of England and Wales ("Europe Limited"), and each other Foreign Subsidiary (as defined in the Credit Agreement) that has become or may hereafter become a "Multicurrency Borrower" under the Credit Agreement as provided in Section 3.09 thereof (each an "Additional Multicurrency Borrower" and collectively, the "Additional Multicurrency Borrowers"; Grantor, Europe B.V., Europe Limited, and all Additional Multicurrency Borrowers referred to collectively herein as the "Borrowers"), SUNTRUST BANK (formerly SunTrust Bank, Atlanta), a banking corporation organized under the laws of the State of Georgia ("SunTrust"), BANK ONE, NA (formerly The First National Bank of Chicago), a national banking association ("Bank One"), the other banks and lending institutions listed on the signature pages thereof, and any assignees of SunTrust, Bank One, or such other banks and lending institutions which become "Lenders" as provided in the Credit Agreement (SunTrust, Bank One, and such other banks, lending institutions, and assignees referred to collectively herein as the "Lenders"), SUNTRUST BANK (formerly SunTrust Bank, Atlanta), in its capacity as agent for those Lenders having Domestic Syndicated Loan Commitments or having outstanding Domestic Syndicated Loans as provided in the Credit Agreement, and each successor agent for such Lenders as may be appointed from time to time pursuant to Article X of the Credit Agreement (the "Domestic Agent"), BANK ONE, NA (formerly The First National Bank of Chicago), in its capacity as agent for those Lenders having outstanding Multicurrency Syndicated Loan Commitments or having outstanding Multicurrency Syndicated Loans as provided in the Credit Agreement, and each successor agent for such Lenders as may be appointed from time to time pursuant to Article X of the Credit Agreement (the "Multicurrency Agent"; the Domestic Agent and the Multicurrency Agent referred to collectively herein as the "Co-Agents"), and the Collateral Agent;

WHEREAS, pursuant to the Second Amendment to Credit Agreement, the Borrowers, Lenders and the Co-Agents have agreed to amend the Credit Agreement in certain respects and

to waive certain Events of Default and the Grantor has agreed to grant a first priority, perfected lien on certain of its assets;

WHEREAS, in connection with the Second Amendment, the Grantor and certain other subsidiaries of the Borrower have executed and delivered a Subsidiary Pledge and Security Agreement, dated as of November 21, 2001 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement");

WHEREAS, pursuant to clause (e) of Section 4.5 of the Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Collateral Agent a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Secured Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of each Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.

SECTION 2. Grant of Security Interest. To secure the Secured Obligations, the Grantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Collateral Agent, for its benefit and the ratable benefit of each other Secured Party, and hereby grants to the Collateral Agent, for its benefit and the ratable benefit of each other Secured Party, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Grantor (the "Trademark Collateral"):

(a) all of its trademarks, trade names, corporate names, company names, business names; fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired including those referred to in Item A of Schedule I attached hereto, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any other country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (collectively referred to as the "Trademark");

(b) all Trademark licenses for the grant by or to the Grantor of any right to use any Trademark; and

(c) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license.

Notwithstanding the foregoing, "Trademark Collateral" shall not include any general intangibles or other rights arising under any contracts, instruments, licenses or other documents relating to any of the foregoing Trademark Collateral as to which the grant of a security interest would (i) constitute a violation of a valid and enforceable restriction in favor of a third party on such grant, unless and until any required consents shall have been obtained or (ii) give any other party to such contract, instrument, license or other document the right to terminate its obligations thereunder unless and until any required consents shall have been obtained.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Collateral Agent in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Collateral Agent for its benefit and the ratable benefit of each other Secured Party under the Security Agreement. The Security Agreement (and all rights and remedies of the Collateral Agent and each Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (i) a sale of Trademark Collateral permitted by Section 8.03 of the Credit Agreement, or (ii) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (A) such Trademark Collateral so sold (in the case of clause (i)) or (B) all Trademark Collateral (in the case of clause (ii)). Upon any such termination, the Collateral Agent will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all terminated Trademark Collateral held by the Collateral Agent hereunder, and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.


SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Collateral Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Credit Document. This Agreement is a "Credit Document" executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Articles X and XI thereof.

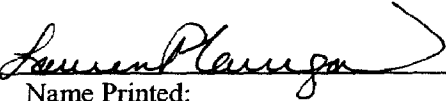
SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

PANDEL, INC.

By:   
Daniel T. Hendrix, Senior Vice President

SUNTRUST BANK,  
as Collateral Agent

By:   
Name Printed: Lauren P. Carrigan  
Title: Vice President

[Signature Page to Trademark Security Agreement]

TRADEMARK  
REEL: 002436 FRAME: 0587

# Schedule to Trademark Security Agreement/Pandel, Inc.

## Item A. Trademarks

### Registered Trademarks

| <u>*Country</u> | <u>Trademark</u> | <u>Registration No</u> | <u>Registration Date</u> |
|-----------------|------------------|------------------------|--------------------------|
| USA             | Compostat        | 1438144                | April 28, 1987           |
| USA             | Fatigue Fighter  | 1478835                | March 1, 1988            |
| USA             | Logseal          | 1463492                | November 3, 1998         |
| USA             | Supertred        | 1169447                | September 15, 1981       |
| USA             | Ultratred        | 1169448                | September 15, 1981       |

### Pending Trademark Applications

| <u>*Country</u> | <u>Trademark</u> | <u>Serial No</u> | <u>Filing Date</u> |
|-----------------|------------------|------------------|--------------------|
|                 |                  | N/A              |                    |