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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings ⇨ ⇨ ⇨ ▼ ▼ ▼		FINANCE SECTION RECORDATION TRADEMARK		 102034621		DEPARTMENT OF COMMERCE Patent and Trademark Office	
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.							
1. Name of conveying party(ies): Worldtex, Inc.; Regal Manufacturing Company, Inc.; and Elastic Corporation of America, Inc. <input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State <input type="checkbox"/> Other _____ <i>3/12/02</i> Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				2. Name and address of receiving party(ies) Name: Amsouth Bank Internal Address: c/o AmSouth Capital Corp. Street Address: 350 Park Avenue, 20th Floor City: New York State: NY Zip: 10022 <input type="checkbox"/> Individual(s) citizenship _____ <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input type="checkbox"/> Corporation-State _____ <input checked="" type="checkbox"/> Other an Alabama banking corporation If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other Release of Trademarks Execution Date: March 6, 2002				4. Application number(s) or registration number(s): A. Trademark Application No.(s) 76/005209; 76/000301 B. Trademark Registration No.(s) See Attached Additional number(s) attached <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
5. Name and address of party to whom correspondence concerning document should be mailed: Name: Goldberg, Kohn et al. Internal Address: Elizabeth Kostiuk Street Address: 55 East Monroe Street Suite 3700 City: Chicago State: IL Zip: 60603				6. Total number of applications and registrations involved: 11 7. Total fee (37 CFR 3.41) \$ 290.00 <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number:			
DO NOT USE THIS SPACE							
9. Signature. Elizabeth Kostiuk <i>Elizabeth Kostiuk</i> 03/12/02 Name of Person Signing Signature Date Total number of pages including cover sheet, attachments, and document: 8							

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

03/27/2002 TDIAZ1 00000076 76005209

 01 FC:481
 02 FC:482

 40.00 OP
 250.00 OP

 TRADEMARK
 REEL: 002470 FRAME: 0785

PATENT REGISTRATION NUMBERS

1,458,423
706,713
1,734,061
2,141,356
1,734,062
2,425,313
1,678,119
215,636
744

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") made as of this 6th day of March, 2002 by Worldtex, Inc., a Delaware corporation, Regal Manufacturing Company, Inc., a Delaware corporation, and Elastic Corporation of America, Inc., a Delaware corporation (each a "Grantor" and, collectively, the "Grantors") in favor of AmSouth Bank, in its capacity as Agent for the Lenders party to the Loan Agreement (defined below) ("Grantee"):

W I T N E S S E T H

WHEREAS, Grantors, Grantee and Lenders are parties to a certain Loan and Security Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "Loan Agreement") providing for the extensions of credit to be made to Grantors by Lenders;

WHEREAS, pursuant to the terms of the Loan Agreement, each Grantor has granted to Grantee, for the benefit of Lenders, a security interest in substantially all of the assets of such Grantor including all right title and interest of such Grantor in, to and under all now owned and hereafter acquired or arising (a) trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications in connection therewith (other than "intent to use" applications until a verified statement of use or an amendment to alleged use is filed with respect to such applications); (b) all renewals thereof; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing, under licenses of the foregoing, or with respect to any of the foregoing including, without limitation, damages and payments for past, present and future infringements of any of the foregoing; (d) the right to sue for past, present and future infringements of any of the foregoing; (e) all rights corresponding to any of the foregoing throughout the world; and (f) all goodwill associated with and symbolized by any of the foregoing (collectively, "Trademarks") and all products and proceeds thereof, to secure the payment of all amounts owing by Grantors under the Loan Agreement;

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

1. Incorporation of Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.
2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Obligations, each Grantor hereby grants to Grantee, and hereby reaffirms its prior grant pursuant to the Loan Agreement of, a

continuing security interest in such Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether now owned or existing or hereafter created or acquired:

- (a) each Trademark listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark; and
- (b) all products and proceeds of the forgoing, including without limitation, any claim by such Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark, or (b) injury to the goodwill associated with any Trademark.

3. Warranties and Representations. Each Grantor warrants and represents to Grantee that:

- (a) such Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation licenses and covenants by such Grantor not to sue third persons;
- (b) such Grantor has no notice of any suits or actions commenced or threatened with reference to any Trademark; and
- (c) such Grantor has the unqualified right to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Each Grantor agrees that until Grantors' Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated, such Grantor shall not, without the prior written consent of Grantee, sell or assign its interest in, or grant any license under, any Trademark or enter into any other agreement with respect to any Trademark, and such Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement.

5. Product Quality. Each Grantor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices, and (ii) to provide Grantee, upon Grantee's request from time to time, with a certificate of an officer of such Grantor certifying such Grantor's compliance with the foregoing. Upon the occurrence of an Event of Default, each Grantor agrees that Grantee, or a conservator appointed by Grantee, shall have the right to establish such additional product quality controls as Grantee, or said conservator, in its reasonable judgment, may deem necessary to

assure maintenance of the quality of products sold by such Grantor under the Trademarks.

6. New Trademarks. If, before Grantors' Obligations shall have been satisfied in full or before the Loan Agreement has been terminated, any Grantor shall (i) become aware of any existing Trademarks of which such Grantor has not previously informed Grantee, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Agreement above shall automatically apply thereto and such Grantor shall give to Grantee prompt written notice thereof. Each Grantor hereby authorizes Grantee to modify this Agreement by amending Schedule 1 to include any such Trademarks.
7. Duties of Grantors. Each Grantor shall (i) file and prosecute diligently any trademark applications pending as of the date hereof or hereafter, (ii) preserve and maintain all rights in the Trademarks, as reasonably deemed appropriate by such Grantor (iii) ensure that the Trademarks are and remain enforceable.
8. Grantee's Right to Sue. After an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Grantee shall commence any such suit, any Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of such enforcement and Grantors shall promptly, upon demand, reimburse and indemnify Grantee for all costs and expenses incurred by Grantee in the exercise of its rights under this Section 8.
9. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Each Grantor hereby authorizes Grantee upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its sole discretion, as such Grantor's true and lawful attorney-in-fact, with power to (i) endorse such Grantor's name on all applications, documents, papers and instruments necessary or desirable for Grantee in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Grantee deems to be in the best interest of Grantee, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Grantors' Obligations shall have been paid in full and the Loan Agreement has been terminated. Each Grantor hereby further acknowledges and agrees that the use by Grantee of the Trademarks shall be worldwide, except as limited by their terms, and without any liability for royalties or related charges from Grantee to such Grantor.

IN WITNESS WHEREOF, each Grantor has duly executed this Agreement as of the date first written above.

WORLDTEX, INC.

By *Mitchell & Co.*
Its Treasurer

REGAL MANUFACTURING COMPANY, INC.

By *Mitchell & Co.*
Its Treasurer

ELASTIC CORPORATION OF AMERICA, INC.

By *Mitchell & Co.*
Its Treasurer

Agreed and Accepted
As of the Date First Written Above

AMSOUTH BANK, as Agent

By *Clarendy Bernay Nelson*
Its Attorney-in-Fact

Schedule 1

Mark/Matter No.	Reg. No./ Issued	Goods/Services	Status	Owner
QUIK/CORD & Design 173655	1,458,423 09/22/1987	Elastic bands having a cord for use with apparel (Int. 25).	Renewal due September 22, 2007.	Elastic Corporation of America, Inc. ("ECA")
REGAL 116472	706,713 11/01/1960	Elastic yarns (Int. 23).	Renewal due November 1, 2010.	Regal Manufacturing Company, Inc. ("Regal")
REGALFLEX 116479	1,734,061 11/17/1992	Yarn (Int. 23).	Renewal due November 17, 2002.	Regal
REGALIA 116491	2,141,356 03/03/1998	Yarn (Int. 23).	Affidavit of Use due after March 3, 2003, but before March 3, 2004; renewal due March 3, 2008.	Regal
REGALON 116480	1,734,062 11/17/1992	Yarn (Int. 23).	Renewal due November 17, 2002.	Regal
ELASTEX	Application No. 76/005,209 Filed 3/20/2000	Stretch-conforming gauze, et al.	Abandoned.	ECA
ECA & Design	2,425,313 1/30/2001	Narrow elastic webs, et al.	Affidavit of Use due after January 30, 2006, but before January 30, 2007; renewal due January 30, 2011.	ECA
AEGIS	Application No. 76/000,301 Filed 3/14/2000	Stretch-conforming gauze, et al.	Pending application.	ECA