

08-26-2002

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



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

8/23/02

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

1. Name of conveying party(ies):

National Spinning Operations, LLC

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other North Carolina limited liability company

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: April 11, 2002

2. Name and address of receiving party(ies)

Name: Foothill Capital Corporation

Internal Address: as Administrative Agent

Street Address: 2450 Colorado Avenue, #3000 W City: Los Angeles State: CA Zip: 90025

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State California Other

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

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

1382381, 1898865,

B. Trademark Registration No.(s)

2037299, 2116315, 2272945, 1472338

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Susan Lake

Internal Address: King & Spalding

Street Address: 191 Peachtree Street

City: Atlanta State: GA Zip: 30303

6. Total number of applications and registrations involved:

6

7. Total fee (37 CFR 3.41) \$ 165.00 expedite fee \$120.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

(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.

Susan Lake Name of Person Signing

Susan Lake Signature

08/20/02 Date

Total number of pages including cover sheet, attachments, and document: 6

08/26/2002 DBYRNE 00000118 1382381

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

01 FC:481 40.00 OP 02 FC:482 125.00 OP 03 FC:484 120.00 OP

FIRST AMENDMENT TO TRADEMARK SECURITY AGREEMENT

THIS FIRST AMENDMENT TO TRADEMARK SECURITY AGREEMENT (this "Amendment"), dated as of April 11, 2002, executed by NATIONAL SPINNING OPERATIONS, LLC, a North Carolina limited liability company ("Grantor"), in favor of Foothill Capital Corporation, a California corporation, as administrative agent ("Agent"), on its behalf and on behalf of the Lenders signatory thereto (the "Lenders") from time to time party to Loan and Security Agreement, dated as of December 8, 2000, as amended by that certain First Amendment to Loan and Security Agreement dated as of February 8, 2001, as further amended by that certain Second Amendment to Loan and Security Agreement dated as of August 14, 2001, as further amended by that certain Third Amendment to Loan and Security Agreement dated as of October 18, 2001 (as amended, restated, supplemented, or otherwise modified from time to time, the "Loan Agreement") among Grantor, Grantor's Subsidiaries that are signatory thereto, the Lenders, and the Agent. Capitalized terms used in this Agreement shall have the meanings set forth in the Loan Agreement unless specifically defined herein.

WITNESSETH:

WHEREAS, pursuant to the Loan Agreement, the Lenders and the Agent, have agreed to establish a revolving credit facility and extend term loans to the Borrowers;

WHEREAS, pursuant to the Loan Agreement, Grantor has granted to Agent, for its benefit and for the benefit of the Lenders, a continuing security interest in all of its right, title, and interest in all currently existing and hereafter acquired or arising Personal Property Collateral, including, without limitation, (a) all of Grantor's Trademarks (as herein defined), whether presently existing or hereafter acquired or arising, or in which Grantor now has or hereafter acquires rights and wherever located; (b) all of Grantor's Trademark Licenses (as herein defined), whether presently existing or hereafter acquired or in which Grantor now has or hereafter acquire rights and wherever located; and (c) all products and proceeds any of the foregoing, as security for all of the Obligations;

WHEREAS, Grantor has entered into a Trademark Security Agreement with the Lenders and Agent, dated as of November 9, 2001, recorded in the United States Patent and Trademark Office on Reel 002378, Frame 0037 ("Agreement"); and

WHEREAS, Agent, Lenders, and Grantor wish to amend the Agreement on the terms more fully set forth herein;

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

1. Amendments to Agreement. Effective as of this date, the Agreement has been and is hereby amended as follows:

1.1 By deleting Schedule I to the Agreement and replacing it with Schedule I attached hereto.

2. No Other Change. Except as herein expressly amended, each and every term, condition, warranty and provision of the Agreement shall remain in full force and effect, and such are hereby ratified, confirmed and approved by the parties hereto. Nothing herein shall be construed to alter or affect the priority of the lien or title created by the Agreement.

3. Entire Agreement. This Amendment and the Agreement, as the same has been amended by this Amendment, set forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations, commitment letters, or agreements, whether written or oral, with respect to such matters.


4. Binding Effect. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, legal representatives and assigns.

5. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts and may be delivered by telecopier. Each counterpart so executed and delivered shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

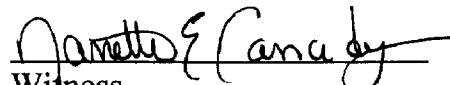
[Signatures on following page]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed under seal by its duly authorized officers as of the date first above written.

NATIONAL SPINNING OPERATIONS, LLC,
a North Carolina limited liability company

By: 
William Ward, Vice President of Finance


Witness


Witness

STATE OF North Carolina)
COUNTY OF Beaufort) ss.:

I, Nancy J. Modell, a Notary Public of the State and County aforesaid, certify that William Ward personally appeared before me this day and acknowledged that he is Vice President-Finance of National Spinning Co., Inc., which is the Sole Member and Manager of NATIONAL SPINNING OPERATIONS, LLC, a North Carolina limited liability company, and that he, as Vice President-Finance, being authorized to do so, executed the foregoing on behalf of the corporation.

WITNESS my hand and official stamp or seal, this 22 day of July, 2002.


Notary Public

My Commission Expires:
11/30/2005

[NOTARIAL SEAL]

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

FOOTHILL CAPITAL CORPORATION,
as Agent

By: Robert Bernier
Name: ROBERT BERNIER
Title: VP

Victor Barwig
Witness

[Signature]
Witness

STATE OF GEORGIA)
) ss.:
COUNTY OF FULTON)

Precious E. Atkinson, a Notary Public of the State and County aforesaid, certify that Robert Bernier personally appeared before me this day and acknowledged that he is Vice President of FOOTHILL CAPITAL CORPORATION, a California corporation, and that he, as Vice President, being authorized to do so, executed the foregoing on behalf of the corporation.

WITNESS my hand and official stamp or seal, this 19 day of August, 2002.

Precious E. Atkinson
Notary Public
My Commission Expires Aug 13, 2006
[Signature]
PUBLIC
STATE OF GEORGIA

[NOTARIAL SEAL]

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

Schedule I
to Trademark Security Agreement

NATIONAL SPINNING OPERATIONS, LLC

PENDING AND REGISTERED U.S. TRADEMARKS

<i>TRADEMARK</i>	<i>SERIAL/ REGISTRATION NO.</i>	<i>FILING/ REGISTRATION DATE</i>	<i>STATUS</i>
Mockspun	2037299	02/11/97	Registered
Splashspun	2116315	11/25/97	Registered
Supilspun	2272945	08/24/99	Registered
Ultraspun	1,472,338	1-12-88	Registered
Krinklespun	1,382,381	2-1-86	Registered
Ultraspan II	1,898,865	6-13-95	Registered