

10-22-2002



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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): **MRD**
 Tanner Companies, LLC
 581 Rock Road
 Rutherfordton, NC 28139
10-15-02

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other a North Carolina Limited Liability Company

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

2. Name and address of receiving party(ies)
 Name: Wachovia Bank, as Bank
 Internal
 Address: _____
 Street Address: Post office Box 13327
 City: Roanoke State: VA Zip: 24040-7376

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

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

OFFICE OF PUBLIC RECORDS
2002 OCT 15 AM 9:33
FINANCE SECTION

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other Notice of Grant of Security Interest

Execution Date: October 2, 2002

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s) _____
SEE ATTACHED SCHEDULE

B. Trademark Registration No.(s) _____
SEE ATTACHED SCHEDULE

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Steven D. Thomas
 Internal Address: Moore & Van Allen, PLLC

 Street Address: 2200 West Main Street,
Suite 800
 City: Durham State: NC Zip: 27705

6. Total number of applications and registrations involved: 22

7. Total fee (37 CFR 3.41).....\$ 565.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
50-2316

DO NOT USE THIS SPACE

9. Signature.
Steven D. Thomas
 Name of Person Signing


 Signature

October 15, 2002
 Date

Total number of pages including cover sheet, attachments, and document: 4

10/21/2002 LMUELLER 00000143 690982

01 FC:8521
02 FC:8522

40.00 OP
525.00 OP

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

TRADEMARK
REEL: 002602 FRAME: 0674

Exhibit A

U.S. Trademarks

Registered Marks

| Mark | Registration No. | Registration Date |
|------------------|-------------------------|--------------------------|
| DONCASTER | 690982 | 1/5/60 |
| DONCASTER | 688018 | 11/10/59 |
| DONCASTER | 927362 | 1/18/72 |
| DONCASTER & DD | 2403273 | 11/14/00 |
| D DONCASTER | 359995 | 9/6/38 |
| DONCASTER II | 1431260 | 3/3/87 |
| DONCASTER SPORT | 1251731 | 9/20/83 |
| TANNER | 702317 | 8/2/60 |
| TANNER | 1490288 | 5/31/88 |
| TANNER SPORT | 1205510 | 8/17/82 |
| TANNERSPORT | 1491236 | 6/7/88 |
| TANNERWAY | 875185 | 8/19/69 |
| XIA (Stylized) | 1205564 | 8/17/82 |
| YOUNG TRADITIONS | 943854 | 10/3/72 |

Pending Applications

| Mark | Application No. | Filing Date |
|--------------------|------------------------|--------------------|
| DD | 75571919 | 10/16/98 |
| ELANA | 76274065 | 6/20/01 |
| ELANA BY TANNER | 76060555 | 5/31/00 |
| T | 76060554 | 5/31/00 |
| T TANNER | 76060556 | 5/31/00 |
| TANNER ACCESSORIES | 76060559 | 5/31/00 |
| TANNER DESIGNS | 76060557 | 5/31/00 |
| TANNER HOME | 76060558 | 5/31/00 |

NOTICE
OF
GRANT OF SECURITY INTEREST
IN
TRADEMARKS

United States Patent and Trademark Office

Gentlemen:

Please be advised that pursuant to the Loan and Security Agreement dated as of October 2, 2002 (as the same may be amended, modified, extended or restated from time to time, the "Loan and Security Agreement") by and among Tanner Companies, LLC, a North Carolina limited liability company (the "Borrower") and Wachovia Bank, National Association (the "Bank"), the Borrower has granted a continuing security interest in and continuing lien upon, the trademarks and trademark applications shown below to the Bank:

TRADEMARKS

| <u>Trademark No.</u> | <u>Description of Trademark</u> | <u>Date of Trademark</u> |
|----------------------|---------------------------------|--------------------------|
|----------------------|---------------------------------|--------------------------|

See Exhibit A attached hereto and made a part hereof.

TRADEMARK APPLICATIONS

| <u>Trademark Application No.</u> | <u>Description of Trademark Applied For</u> | <u>Date of Trademark Application</u> |
|----------------------------------|---|--------------------------------------|
|----------------------------------|---|--------------------------------------|

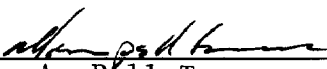
See Exhibit A attached hereto and made a part hereof.

The Borrower and the Bank hereby acknowledge and agree that the security interest in the foregoing trademarks and trademark applications (i) may only be terminated in accordance with the terms of the Loan and Security Agreement and (ii) is not to be construed as an assignment of any trademark or trademark application.

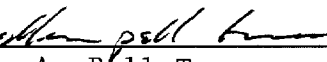
Very truly yours,

TANNER COMPANIES, LLC,
a North Carolina limited liability company

By: APOGEE 21, INC,
its Manager

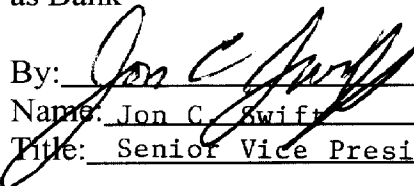
By: 
Name: A. Pell Tanner
Title: Senior Vice President

TANNER COMPANIES, LLC,
a North Carolina limited liability company

By: 
Name: A. Pell Tanner
Title: President

Acknowledged and Accepted:

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Bank

By: 
Name: Jon C. Swift
Title: Senior Vice President