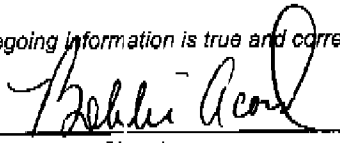


Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings ⇨ ⇨ ⇨ ▼ ▼ ▼ ▼ ▼ ▼ ▼		<b>RECORDATION FORM COVER SHEET</b> <b>TRADEMARKS ONLY</b>		U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office	
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.					
<b>1. Name of conveying party(ies):</b> <u>JPS Industries, Inc.</u>  <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 <u>Delaware</u> <input type="checkbox"/> Other _____  Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<b>2. Name and address of receiving party(ies)</b> Name: <u>Wachovia Bank, National Association</u> Internal Address: _____ Street Address: <u>191 Peachtree Street, NE, 30th Floor</u> City: <u>Atlanta</u> State: <u>Georgia</u> Zip: <u>30303</u>  <input type="checkbox"/> Individual(s) citizenship _____ <input checked="" type="checkbox"/> Association <u>National Banking Association</u> <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input type="checkbox"/> Corporation-State _____ <input type="checkbox"/> Other _____ <small>(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) &amp; address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No)</small>		
<b>3. Nature of conveyance:</b> <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: <u>April 5, 2004</u>			<b>4. Application number(s) or registration number(s):</b> A. Trademark Application No.(s) <u>See Attached Annex 1.</u>  B. Trademark Registration No.(s) <u>See attached Annex 1.</u>  Additional number(s) attached <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>5. Name and address of party to whom correspondence concerning document should be mailed:</b> Name: <u>Elizabeth G. Hartnett</u> Internal Address: <u>Parker, Hudson,</u> <u>Rainer &amp; Dobbs, LLP</u>  Street Address: <u>285 Peachtree Center Avenue</u> <u>1500 Marquis Two Tower</u>  City: <u>Atlanta</u> State: <u>Georgia</u> Zip: <u>30303</u>			<b>6. Total number of applications and registrations involved:</b> <span style="border: 1px solid black; padding: 2px 5px;">8</span>  <b>7. Total fee (37 CFR 3.41):</b> <u>\$ 215</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account  <b>8. Deposit account number:</b> <u>502831</u> <small>(Attach duplicate copy of this page if paying by deposit account)</small>		
<b>DO NOT USE THIS SPACE</b>					
<b>9. Statement and signature.</b> <i>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.</i>  <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <u>Bobbi Acord, Esq.</u>            Name of Person Signing         </div> <div style="width: 30%; text-align: center;">             Signature         </div> <div style="width: 30%; text-align: right;"> <u>04/08/04</u>            Date         </div> </div> <div style="text-align: right; margin-top: 5px;"> <span style="border: 1px solid black; padding: 2px 5px;">11</span> </div>					

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

CH \$215.00 502831 76367276

ANNEX 1

<u>Trademark</u>	<u>Jurisdiction</u>	<u>Registration No.</u>
ACID-BOND	United States	2,767,791
ACID-FLEX	United States	2,470,563
IRC	United States	975,501

<u>Trademark Application</u>	<u>Jurisdiction</u>	<u>Serial No.</u>
APS	United States	76/367,276
TUNDRA TEC	United States	76/388,424
INDUSTRO-QUARTZ	United States	76/367,299
GORILLA MESH	United States	76/367,277
COMPLETE SEAL	United States	75/579,417

**TRADEMARK SECURITY AGREEMENT**

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement") is made this 5<sup>th</sup> day of April, 2004, between **JPS INDUSTRIES, INC.**, a Delaware corporation having its principal place of business at 555 North Pleasantburg Drive, Suite 202, Greenville, South Carolina 29607 (the "Company"), and **WACHOVIA BANK, NATIONAL ASSOCIATION**, a national banking association having an office at 191 Peachtree Street, N.E., 30<sup>th</sup> Floor, Atlanta, Georgia 30303 ("Bank").

**W I T N E S S E T H:**

WHEREAS, the Company desires to obtain loans from Bank pursuant to a certain Amended and Restated Loan and Security Agreement, dated the date hereof by and among the Company, the other borrowers named therein and Bank (as at any time amended, the "Loan Agreement"); and

WHEREAS, Bank is willing to make loans to the Company from time to time, in Bank's discretion, provided the Company executes this Agreement;

WHEREAS, the Company has contemporaneously herewith pursuant to the Loan Agreement, granted to Bank a lien upon and security interest in the Company's now existing or hereafter acquired inventory, machinery, equipment, equipment formulations, manufacturing procedures, quality control procedures and product specifications relating to products sold under the Trademarks (as hereinafter defined);

NOW, THEREFORE, for Ten Dollars (\$10.00) and other valuable consideration, and in consideration of the premises, the Company hereby agrees with Bank as follows:

1. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed to them in the Loan Agreement.

2. To secure the payment and performance of the Indebtedness, the Company hereby pledges, assigns and grants to Bank a continuing security interest in and lien upon all of the following property of the Company, whether now owned or existing or hereafter acquired (the "Collateral"):

(a) all trademarks, trademark registrations, tradenames and trademark applications, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof (as the same may be amended from time to time), and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, tradenames and applications,

together with the items described in clauses (i)-(iv), are hereinafter collectively referred to as the "Trademarks");

(b) the goodwill of the Company connected with and symbolized by the Trademarks; and

(c) all proceeds of the foregoing.

3. The Company represents and warrants that:

(a) Each of the Trademarks is subsisting and has not been adjudged invalid or unenforceable;

(b) Upon filing of this Agreement in the United States Patent and Trademark Office, this Agreement will create a legal and valid perfected lien upon and security interest in the Collateral (other than foreign trademarks), enforceable against the Company and all third Persons in accordance with its terms;

(c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person; and

(d) The Company has the unqualified right to enter into this Agreement and perform its terms.

4. The Company covenants and agrees that:

(a) Each of the Trademarks is valid and enforceable;

(b) The Company is the sole and exclusive owner of the entire right, title and interest in and to each of the Collateral, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by the Company not to sue third Persons;

(c) The Company will maintain the quality of the products associated with the Trademarks, at a level consistent with the quality at the time of this Agreement, and will provide Bank quarterly with a certificate to that effect in the form attached hereto as Exhibit 1 executed by an officer of the Company;

(d) The Company will not change the quality of the products associated with the Trademarks without Bank's prior written consent; and

(e) The Company has used and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks, including,

without limitation, filing an affidavit of use with the United States Patent and Trademark Office during the sixth year of registration for each Trademark as required by law.

5. The Company hereby grants to Bank and its employees and agents the right upon prior notice to the Company to visit the Company's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. The Company shall do any and all acts required by Bank to ensure the Company's compliance with paragraph 4(c) of this Agreement.

6. The Company agrees that, until all of the Indebtedness has been satisfied in full, it will not enter into any agreement (including, without limitation, any license agreement) which is inconsistent with the Company's duties under this Agreement.

7. If, before the Indebtedness has been satisfied in full, the Company shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark or any renewal of any Trademark, the provisions of paragraph 2 hereof shall automatically apply thereto, and the Company shall give to Bank prompt notice thereof in writing.

8. The Company authorizes Bank to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications within the definition of Trademarks under paragraph 2 or paragraph 7 hereof.

9. Upon the occurrence and during the continuance of an Event of Default (as defined in the Loan Agreement), Bank shall have, in addition to all other rights and remedies given it by this Agreement, all rights and remedies under applicable law and all rights and remedies of a secured party under the Uniform Commercial Code as adopted and then in force in the State of Georgia. Without limiting the generality of the foregoing, Bank may immediately, without notice or demand, each of which the Company hereby waives, collect directly any payments due the Company in respect of the Collateral, or sell at public or private sale or otherwise realize upon all or from time to time, any of the Collateral. The Company hereby agrees that ten (10) days written notice to the Company of any public or private sale or other disposition of any of the Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by applicable law. At any such sale or disposition, Bank may, to the extent permitted by law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Company, which right the Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Collateral all costs and expenses incurred by Bank in enforcing its rights hereunder (including, without limitation, all attorneys' fees), Bank shall apply the remainder of such proceeds to the payment of the Indebtedness in such order and manner as Bank in its sole discretion may determine. Any remainder of the proceeds after payment in full of the Indebtedness shall be paid over to the Company. If any deficiency shall arise, the Company and each guarantor of the Indebtedness shall remain jointly and severally liable to Bank therefor.

10. The Company hereby makes, constitutes and appoints Bank and any officer or agent of Bank as Bank may select as the Company's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse the Company's name on all applications, documents, papers and instruments necessary for Bank to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other Person, or to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any other Person. The Company 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 all of the Indebtedness shall have been satisfied in full and the Loan Agreement shall have been terminated.

11. At such time as all of the Indebtedness shall have been satisfied finally and in full and the Loan Agreement shall have been terminated, Bank shall execute and deliver to the Company all releases and other instruments necessary to terminate Bank's security interest in the Collateral.

12. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Bank in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by the Company (it being the intent of the Company and Bank that the Company shall be responsible for the payment of all sums, fees, costs and expenses, including, without limitation, all renewal fees with respect to the Trademarks) or, if paid by Bank, shall be paid by the Company **on demand** by Bank and until so paid shall be added to the principal amount of the Indebtedness and shall bear interest at the rate prescribed in the Loan Agreement.

13. The Company shall use its reasonable best efforts to detect any infringers of the Trademarks and shall notify Bank in writing of infringements detected. The Company shall have the duty, through counsel acceptable to Bank, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter until the Indebtedness shall have been paid in full, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to enforce the Trademarks and to do any and all acts which are deemed necessary or desirable by Bank to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with such applications or proceedings shall be borne by the Company. The Company shall not abandon any right to file a trademark application, or any pending trademark application or trademark without the consent of Bank.

14. Notwithstanding anything to the contrary contained in paragraph 13 hereof, Bank shall have the right, but shall in no way be obligated, to bring suit instead in its own name to enforce the Trademarks and any license thereunder, in which event the Company shall at the request of Bank do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Bank to aid such enforcement, and the Company shall promptly, **upon demand**,

reimburse and indemnify Bank for all costs and expenses incurred in the exercise of Bank's rights under this paragraph 14. Nothing herein shall be deemed to prohibit the Company from bringing any such suit in its own name at any time that an Event of Default does not exist, if Bank declines to institute such suit.

15. If the Company fails to comply with any of its obligations hereunder, to the extent permitted by applicable law, Bank may do so in the Company's name or in Bank's name, but at the Company's expense, and the Company agrees to reimburse Bank in full for all expenses, including attorneys' fees, incurred by Bank in prosecuting, defending or maintaining the Trademarks or Bank's interest therein pursuant to this Agreement.

16. No course of dealing between the Company and Bank, nor any failure to exercise, nor any delay in exercising, on the part of Bank, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

17. All of Bank's rights and remedies with respect to the Collateral, 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.

18. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

19. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 8 hereof.


20. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of Bank and upon the successors of the Company. The Company shall not assign its rights or delegate its duties hereunder without the prior written consent of Bank.

21. Notice of acceptance hereof is hereby waived by the Company.

22. This Agreement has been negotiated, executed and delivered at and shall be deemed to have been made in Atlanta, Georgia. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia.

23. THE COMPANY AND BANK EACH WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE COLLATERAL.

WITNESS the execution hereof under seal as of the day and year first above written.

  
\_\_\_\_\_  
Witness

**JPS INDUSTRIES, INC.**

("Company")

By: 

**Charles R. Tutterow,**  
Executive Vice President,  
Chief Financial Officer and Secretary

[CORPORATE SEAL]

Accepted:

**WACHOVIA BANK, NATIONAL  
ASSOCIATION ("Bank")**

By: 

Name: Elizabeth L. Shue

Title: Director



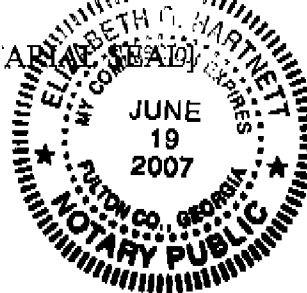
STATE OF GEORGIA           §  
    §  
 COUNTY OF FULTON       §

BEFORE ME, the undersigned authority, on this day personally appeared Charles R. Tutterow, Executive Vice President, Chief Financial Officer and Secretary of JPS Industries, Inc., to me known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 5<sup>th</sup> day of April, 2004.

Elizabeth G. Hartnett  
 Notary Public  
 My Commission Expires: June 19, 2007

[NOTARIAL SEAL]



STATE OF GEORGIA           §  
    §  
 COUNTY OF FULTON       §

BEFORE ME, the undersigned authority, on this day personally appeared Elizabeth Schoen Director of Wachovia Bank, National Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said national banking association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 5<sup>th</sup> day of April, 2004.

Elizabeth G. Hartnett  
 Notary Public  
 My Commission Expires: June 19, 2007

[NOTARIAL SEAL]

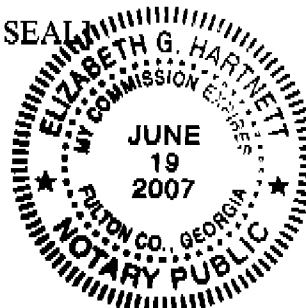


Exhibit 1CERTIFICATE

The undersigned officer of **JPS INDUSTRIES, INC.** (the "Company"), DOES HEREBY CERTIFY to **WACHOVIA BANK, NATIONAL ASSOCIATION** ("Bank") that the quality of the products associated with the Trademarks listed on Schedule A of the Trademark Security Agreement dated April \_\_\_\_, 2004, between the Company and Bank (as amended from time to time to include future trademarks and trademark applications) (the "Agreement"), has been maintained at a level consistent with the quality of such products at the time of the execution of the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Certificate, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**JPS INDUSTRIES, INC.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

SCHEDULE A

<u>Trademark</u>	<u>Jurisdiction</u>	<u>Registration No.</u>
ACID-BOND	United States	2,767,791
ACID-FLEX	United States	2,470,563
IRC	United States	975,501

<u>Trademark Application</u>	<u>Jurisdiction</u>	<u>Serial No.</u>
APS	United States	76/367,276
TUNDRA TEC	United States	76/388,424
INDUSTRO-QUARTZ	United States	76/367,299
GORILLA MESH	United States	76/367,277
COMPLETE SEAL	United States	75/579,417