

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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|-----------------------|-------------------|
| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|----------------------------|----------|----------------|----------------------|
| Kleen-Tex Industries, Inc. | | 12/15/2005 | CORPORATION: GEORGIA |

RECEIVING PARTY DATA

| | |
|-------------------|-------------------------------------|
| Name: | Wachovia Bank, National Association |
| Street Address: | 110 East Broward Street |
| Internal Address: | Suite 2050 |
| City: | Ft. Lauderdale |
| State/Country: | FLORIDA |
| Postal Code: | 33301 |
| Entity Type: | National Banking Association: |

PROPERTY NUMBERS Total: 27

| Property Type | Number | Word Mark |
|----------------------|---------|---------------|
| Registration Number: | 1214131 | AD-MAT |
| Registration Number: | 2298713 | AGGRESSOR |
| Registration Number: | 1182286 | CLEAN TRACK |
| Registration Number: | 2576229 | CREATE-A-MAT |
| Registration Number: | 2576163 | CREATE-A-RUG |
| Registration Number: | 2375096 | CUSHION-COIL |
| Registration Number: | 1365709 | FLOOR POSTERS |
| Registration Number: | 1221883 | GRAPHIC INLAY |
| Registration Number: | 1988554 | IRON-HORSE |
| Registration Number: | 2594320 | KLEEN-COMFORT |
| Registration Number: | 2444464 | KLEEN-LOOP |
| Registration Number: | 2249089 | KLEEN-SCRAPE |
| Registration Number: | 2674716 | KLEEN-STAT |

CH \$690.00 1214131

| | | |
|----------------------|----------|-----------------|
| Registration Number: | 1153267 | KLEEN-TEX |
| Registration Number: | 2702438 | KLEEN-THRU |
| Registration Number: | 1244655 | MAXI MAT |
| Registration Number: | 1139658 | MEDI MAT |
| Registration Number: | 2048238 | MIS-MAT |
| Registration Number: | 1221884 | RAINBOW GRAPHIC |
| Registration Number: | 1136291 | SHOW HORSE |
| Registration Number: | 2474963 | SUPERMAT |
| Registration Number: | 2750867 | TRACK MASTER |
| Registration Number: | 1136292 | TRACK-STOPPER |
| Registration Number: | 0963706 | WASH HORSE |
| Registration Number: | 2417714 | WATER-HORSE |
| Registration Number: | 1327186 | WORK-HORSE |
| Serial Number: | 78193821 | K |

CORRESPONDENCE DATA

Fax Number: (404)522-8409
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 404-420-5527
Email: rbirdwell@phrd.com
Correspondent Name: Rhonda J. Birdwell, Paralegal
Address Line 1: 285 Peachtree Center Avenue
Address Line 2: 1500 Marquis Two Tower
Address Line 4: Atlanta, GEORGIA 30303

| | |
|-------------------------|---------------|
| ATTORNEY DOCKET NUMBER: | 866-KLEEN-TEX |
| NAME OF SUBMITTER: | Bobbi Acord |
| Signature: | /ba/ |
| Date: | 12/20/2005 |

Total Attachments: 10
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TRADEMARK

TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** is made this 15th day of December, 2005, between **KLEEN-TEX INDUSTRIES, INC.**, a Georgia corporation having its principal place of business at 1516 Orchard Hill Road, LaGrange, Georgia 30240 (the "Company"), and **WACHOVIA BANK, NATIONAL ASSOCIATION**, a national banking association having an office at 110 East Broward Boulevard, Suite 2050, Ft. Lauderdale, Florida 33301 ("Lender").

Recitals:

The Company desires to obtain loans and other financial accommodations from Lender pursuant to that certain Loan and Security Agreement dated the date hereof by and between the Company and Lender (hereinafter referred to, together with all amendments thereto, as the "Loan Agreement");

Lender is willing to make loans and other financial accommodations to the Company from time to time, pursuant to the terms of the Loan Agreement, provided the Company executes this Agreement.

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

1. Capitalized terms used herein (including those used in the Recitals hereto), unless otherwise defined, shall have the meanings ascribed to them in the Loan Agreement.

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

(a) all trademarks, trademark registrations, tradenames and trademark applications (other than foreign trademarks), including, without limitation, the trademarks and applications listed on Exhibit 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's business connected with and symbolized by the Trademarks; and

(c) all proceeds of the foregoing.

Notwithstanding anything to the contrary herein, for purposes hereof, the terms "Trademark Collateral" and "Trademarks" shall exclude Foreign Intellectual Property and any

rights or privileges therein and nothing contained herein shall grant the Lender any lien upon, or licenses, rights or privileges in, any Foreign Intellectual Property.

3. The Company represents and warrants to Lender 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 Trademark Collateral, enforceable against 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;

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

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

(f) The Company is the sole and exclusive owner of the entire right, title and interest in and to all of the Trademark 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.

4. The Company covenants and agrees with Lender that:

(a) 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, upon Lender's request, provide Lender with a certificate to that effect in the form attached hereto as Exhibit B executed by an officer of the Company; and

(b) 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 for each Trademark as required by applicable law to maintain the registration thereof without loss of protection therefor, except as otherwise provided in paragraph 13 hereof.

5. The Company hereby authorizes Lender, and its employees and agents, the right 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 Lender to ensure the Company's compliance with paragraph 4(c) of this Agreement.

6. Until all of the Obligations have been satisfied in full and the Loan Agreement has been terminated, the Company shall not, without first obtaining written approval from Lender, enter into any license agreement relating to any of the Trademarks with any Person except non-exclusive licenses to customers of the Company in the regular and ordinary course of the Company's business as presently conducted and for reasonable and customary compensation, and shall not become a party to any agreement with any Person that is inconsistent with the Company's duties under this Agreement.

7. If, before the Obligations have 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 (other than foreign trademarks) or any renewal of any Trademark, the provisions of paragraph 2 hereof shall automatically apply thereto, and the Company shall give to Lender prompt notice thereof in writing within 30 days after obtaining any such right to any trademark or trademark application or sooner if so requested by Lender.

8. The Company irrevocably authorizes and empowers Lender to modify this Agreement by amending Exhibit A to include any future trademarks and trademark applications (other than foreign trademarks) within the definition of Trademarks under paragraph 2 or paragraph 7 hereof.

9. Upon and at any time after the occurrence of an Event of Default, Lender 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 UCC. Without limiting the generality of the foregoing, Lender may immediately, without demand of performance and without notice (except as described in the next sentence, if required by applicable law), or demand whatsoever to the Company, each of which the Company hereby expressly waives, collect directly any payments due the Company in respect of the Trademark Collateral, or sell at public or private sale or otherwise realize upon all or, from time to time, any of the Trademark Collateral. The Company hereby agrees that seven (7) days written notice to the Company of any public or private sale or other disposition of any of the Trademark 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, Lender may, to the extent permitted by law, purchase the whole or any part of the Trademark 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 Trademark Collateral all costs and expenses incurred by Lender in enforcing its rights hereunder (including, without limitation, all attorneys' fees), Lender shall apply the remainder of such proceeds to the payment of the Obligations in such order and manner as may be authorized or required by the Loan Agreement. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Company. If any deficiency shall arise, the Company and each guarantor of the Obligations shall remain jointly and severally liable to Lender therefor.

10. The Company hereby makes, constitutes and appoints Lender and any officer or agent of Lender as Lender 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 Lender to continue the registration of or 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 any Trademark 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, being coupled with an interest, shall be irrevocable until all of the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated.

11. At such time as all of the Obligations shall have been satisfied finally and in full and the Loan Agreement shall have been terminated, Lender shall execute and deliver to the Company, without representation, warranty or recourse and at the Company's expense, all releases or other instruments necessary to terminate Lender's security interest in the Trademark Collateral subject to any disposition thereof which may have been made by Lender pursuant to the terms of this Agreement or any of the Financing Agreements.

12. Any and all fees, costs and expenses, of whatever kind or nature (including, without limitation, reasonable attorneys' fees and legal expenses) incurred by Lender hereunder shall be paid by Borrower pursuant to Section 9.22 of the Loan Agreement.

13. The Company shall use its best efforts to detect any infringers of the Trademarks and shall notify Lender in writing of infringements detected. The Company shall have the duty, through counsel acceptable to Lender, to prosecute diligently any trademark application for a Trademark pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full and the Loan Agreement terminated, to make federal application on registrable but unregistered Trademarks (subject to Company's reasonable discretion in the ordinary course of business or, during the existence of an Event of Default or a Default, promptly upon Lender's request), 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 Lender 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 Lender. Notwithstanding anything contained in this paragraph 13, the Company may abandon a Trademark in the regular and ordinary course of Company's business as presently conducted so long as (i) such abandonment could not reasonably be expected to have a Material Adverse Effect, (ii) Company determines in its good faith judgment that there is a reasonable and valid business reason to justify the abandonment of such Trademark, (iii) no Default or Event of Default exists and such time or would result therefrom, and (iv) Company notifies Lender of such abandonment at least thirty (30) days prior to such abandonment.

14. Notwithstanding anything to the contrary contained in paragraph 13 hereof, if an Event of Default exists or if Lender otherwise determines in good faith that the Trademark Collateral is being impaired, Lender 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 hereunder, or to defend any suit or counterclaim in its own name to protect the Trademarks or any license hereunder, in either of which events the Company shall at the request of Lender do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Lender to aid such enforcement, or defense, and the Company shall promptly, **upon demand**,

reimburse and indemnify Lender for all costs and expenses incurred in the exercise of Lender's rights under this paragraph 14.

15. If the Company fails to comply with any of its obligations hereunder, to the extent permitted by applicable law, Lender may do so in the Company's name or in Lender's name, in Lender's sole discretion, but at the Company's expense, and the Company agrees to reimburse Lender in full for all expenses, including, without limitation, reasonable attorneys' fees, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.

16. No course of dealing between the Company and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under any of the other Financing Agreements 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 Lender's rights and remedies with respect to the Trademark Collateral, whether established hereby or by any of the other Financing Agreements, or by any other agreements or by applicable 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, together with the other Financing Agreements, constitutes and expresses the entire understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings, inducements or conditions, whether expressed or implied, oral or written. 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 Lender 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 Lender.


21. The Company hereby waives notice of Lender's acceptance hereof.

22. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia.

23. To the fullest extent permitted by applicable law, the Company and Lender 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 Trademark Collateral.

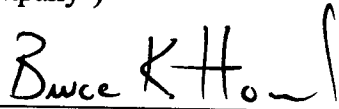
WITNESS the execution hereof under seal as of the day and year first above written.

ATTEST:



Jocelyn Howard Scott, Secretary
[CORPORATE SEAL]

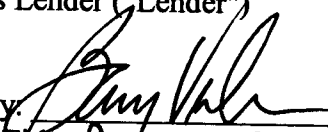
KLEEN-TEX INDUSTRIES, INC.
("Company")

By: 

Bruce K. Howard, President

Accepted:

**WACHOVIA BANK, NATIONAL
ASSOCIATION,**
as Lender ("Lender")

By: 

Title: DIRECTOR

STATE OF Georgia §
 §
COUNTY OF Fulton §

BEFORE ME, the undersigned authority, on this day personally appeared Bruce K. Howard, President of Kleen-Tex 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 15th day of December, 2005.

M. A. G.
Notary Public
My Commission Expires Feb. 28, 2009
Notary Public, Fulton County, Georgia
My Commission Expires Feb. 28, 2009

[NOTARIAL SEAL]

STATE OF Georgia)
)
COUNTY OF Fulton)

BEFORE ME, the undersigned authority, on this day personally appeared Barry Vecker 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 corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 15th day of December, 2005.

M. A. G.
Notary Public
My Commission Expires Feb. 28, 2009
Notary Public, Fulton County, Georgia
My Commission Expires Feb. 28, 2009

[NOTARIAL SEAL]

EXHIBIT A

Trademarks

| <u>Trademark</u> | <u>Registration Number</u> | <u>Registration Date</u> |
|------------------|----------------------------|--------------------------|
| Ad-Mat | 1214131 | 10-6-1982 |
| Aggressor | 2298713 | 12-7-1999 |
| Clean Track | 1182286 | 12-15-1981 |
| Create-a-Mat | 2576229 | 6-4-2002 |
| Create-a-Rug | 2576163 | 6-4-2002 |
| Cushion Coil | 2375096 | 8-8-2000 |
| Floor Poster | 1365709 | 10-15-1985 |
| Graphic Inlay | 1221883 | 12-28-1982 |
| Iron-Horse | 1988554 | 7-23-1996 |
| Kleen-Comfort | 2594320 | 7-16-2002 |
| Kleen-Loop | 2444464 | 4-14-2001 |
| Kleen-Scrape | 2249089 | 6-1-1999 |
| Kleen-Stat | 2674716 | 1-14-2003 |
| Kleen-Tex | 1153267 | 5-5-1981 |
| Kleen-Thru | 2702438 | 4-1-2003 |
| MAXI MAT | 1244655 | 7-5-1983 |
| Medi Mat | 1139658 | 9-16-1986 |
| Mis-Mat | 2048238 | 3-27-1997 |
| RAINBOW GRAPHIC | 1221884 | 12-28-1982 |
| Show-Horse | 1136291 | 5-27-1980 |
| SuperMat | 2474963 | 8-7-2001 |
| Tack Master | 2750867 | 8-12-2003 |
| Track-Stopper | 1136292 | 5-27-1980 |
| Wash-Horse | 0963706 | 7-10-1973 |
| Water-Horse | 2417714 | 1-2-2001 |
| Work-Horse | 1327186 | 3-26-1985 |
| Graphic Tuft | Unregistered | N/A |

Trademark Applications

| <u>Trademark Application</u> | <u>Application Number</u> | <u>Application Date</u> |
|------------------------------|---------------------------|-------------------------|
| "K" Design with footprints | 78/193,821 | December 2002 |

EXHIBIT B

CERTIFICATE

The undersigned officer of Kleen-Tex Industries, Inc. (the "Company") DOES HEREBY CERTIFY to Wachovia Bank, National Association ("Lender"), that the quality of the products associated with the Trademarks listed on Exhibit A of the Trademark Security Agreement dated December 15, 2005, between the Company and Lender (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 December, 2005.

KLEEN-TEX INDUSTRIES, INC.

By: _____

Title: _____