TRADEMARK ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Trademark Collateral Security and Pledge Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
QUAKER FABRIC CORPORATION OF FALL RIVER		05/18/2005	CORPORATION: MASSACHUSETTS
QUAKER TEXTILE CORPORATION		05/18/2005	CORPORATION: MASSACHUSETTS
QUAKER FABRIC MEXICA, S.A. DE C.V.		05/18/2005	CORPORATION: MEXICO
QUAKER FABRIC CORPORATION		05/18/2005	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	BANK OF AMERICA, N.A.
Street Address:	100 Federal Street
Internal Address:	Bank of America, N.A.
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02110
Entity Type:	NATIONAL ASSOCIATION:

PROPERTY NUMBERS Total: 1

Property Type	Number	Word Mark
Serial Number:	78745893	TERRAZZO

CORRESPONDENCE DATA

Fax Number: (617)951-8736
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 617-951-8084
Email: ashley.scibelli@bingham.com
Correspondent Name: Ashley B. Scibelli

OP $40.00 78745893

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Address Line 4:	Boston, MASSACHUSETTS 02110

NAME OF SUBMITTER:	Ashley B. Scibelli
Signature:	/ Ashley B. Scibelli /
Date:	02/05/2007

Total Attachments: 24
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EXECUTION VERSION

TRADEMARK COLLATERAL SECURITY AND PLEDGE AGREEMENT

TRADEMARK COLLATERAL SECURITY AND PLEDGE AGREEMENT dated as of May 18, 2005 between (a) **QUAKER FABRIC CORPORATION OF FALL RIVER**, a Massachusetts corporation (the "Borrower"), (b) **QUAKER TEXTILE CORPORATION**, a Massachusetts corporation ("Quaker Textile"), **QUAKER FABRIC MEXICO, S.A. de C.V.**, a Mexican corporation ("Quaker Mexico"), and **QUAKER FABRIC CORPORATION**, a Delaware corporation (the "Parent", and together with Quaker Textile and Quaker Mexico, the "Guarantors") (each of the Borrower and Guarantors being sometimes referred to herein as an "Assignor" and collectively, as the "Assignors"), and (c) **BANK OF AMERICA, N.A.**, as administrative agent (hereinafter, the "Administrative Agent") for itself and the other lending institutions (hereinafter, collectively the "Lenders") which are, or may in the future become, parties to a Revolving Credit and Term Loan Agreement of even date herewith (the "Credit Agreement"), among the Borrower, the Parent, the Lenders, the Administrative Agent, and Bank of America, N.A., as Issuing Bank, and Fleet National Bank, as Cash Management Bank.

WHEREAS, it is a condition precedent to the Lenders' making any loans or otherwise extending credit to the Borrower under the Credit Agreement that each Assignor executes and delivers to the Administrative Agent, for the benefit of the Lenders and the Administrative Agent, a trademark agreement in substantially the form hereof; and

WHEREAS, each Assignor has executed and delivered to the Administrative Agent, for the benefit of the Lenders and the Administrative Agent, the Security Agreement (as defined in the Credit Agreement) pursuant to which each Assignor has granted to the Administrative Agent, for the benefit of the Lenders and the Administrative Agent, a security interest in certain of the Assignors' personal property and fixture assets, including without limitation the trademarks, service marks, trademark and service mark registrations, and trademark and service mark registration applications listed on Schedule A attached hereto, all to secure the payment and performance of the Obligations (as defined in the Credit Agreement); and

WHEREAS, this Trademark Agreement is supplemental to the provisions contained in the Security Agreement;

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

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Credit Agreement and the Security

Agreement. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Trademark Agreement referred to below:

Assignment of Marks. See §2.1.

Associated Goodwill. All goodwill of each Assignor and its business, products and services appurtenant to, associated with or symbolized by the Trademarks and the use thereof.

Pledged Trademarks. All of each Assignor's right, title and interest in and to all of the Trademarks, the Trademark Registrations, the Trademark License Rights, the Trademark Rights, the Associated Goodwill, the Related Assets, and all accessions to, substitutions for, replacements of, and all products and proceeds of any and all of the foregoing.

PTO. The United States Patent and Trademark Office.

Related Assets. All assets, rights and interests of each Assignor that uniquely reflect or embody the Associated Goodwill, including the following:

(a) all patents, inventions, copyrights, trade secrets, confidential information, formulae, methods or processes, compounds, recipes, know-how, methods and operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision and sale of goods or services under or in association with any of the Trademarks; and

(b) the following documents and things in the possession or under the control of such Assignor, or subject to its demand for possession or control, related to the production, delivery, provision and sale by such Assignor, or any affiliate, franchisee, licensee or contractor, of products or services sold by or under the authority of such Assignor in connection with the Trademarks or Trademark Rights, whether prior to, on or subsequent to the date hereof:

(i) all lists, contracts, ancillary documents and other information that identify, describe or provide information with respect to any customers, dealers or distributors of such Assignor, its affiliates or franchisees or licensees or contractors, for products or services sold under or in connection with the Trademarks or Trademark Rights, including all lists and documents containing information regarding each customer's, dealer's or distributor's name and address, credit, payment, discount, delivery and other sale terms, and history, pattern and total of purchases by brand, product, style, size and quantity;

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(ii) all agreements (including franchise agreements), product and service specification documents and operating, production and quality control manuals relating to or used in the design, manufacture, production, delivery, provision and sale of products or services under or in connection with the Trademarks or Trademark Rights;

(iii) all documents and agreements relating to the identity and locations of all sources of supply, all terms of purchase and delivery, for all materials, components, raw materials and other supplies and services used in the manufacture, production, provision, delivery and sale of products or services under or in connection with the Trademarks or Trademark Rights; and

(iv) all agreements and documents constituting or concerning the present or future, current or proposed advertising and promotion by such Assignor (or any of its affiliates, franchisees, licensees or contractors) of products or services sold under or in connection with the Trademarks or Trademark Rights.

Trademark Agreement. This Trademark Collateral Security and Pledge Agreement, as amended and in effect from time to time.

Trademark License Rights. Any and all past, present or future rights and interests of any Assignor pursuant to any and all past, present and future franchising or licensing agreements in favor of such Assignor, or to which such Assignor is a party, pertaining to any Trademarks, Trademark Registrations, or Trademark Rights owned or used by third parties in the past, present or future, including the right (but not the obligation) in the name of such Assignor or the Administrative Agent to enforce, and sue and recover for, any breach or violation of any such agreement to which such Assignor is a party.

Trademark Registrations. All past, present or future federal, state, local and foreign registrations of the Trademarks, all past, present and future applications for any such registrations (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of any Assignor or the Administrative Agent, and to take any and all actions necessary or appropriate to maintain such registrations in effect and renew and extend such registrations.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of any Assignor or the Administrative Agent for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the

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Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury; and the Trademark License Rights.

Trademarks. All of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and other source and product or service identifiers, used or associated with or appurtenant to the products, services and businesses of any Assignor, that (i) are set forth on Schedule A hereto, or (ii) have been adopted, acquired, owned, held or used by such Assignor or are now owned, held or used by such Assignor, in such Assignor's business, or with such Assignor's products and services, or in which such Assignor has any right, title or interest, or (iii) are in the future adopted, acquired, owned, held and used by such Assignor in such Assignor's business or with such Assignor's products and services, or in which such Assignor in the future acquires any right, title or interest. To the extent that "Trademark" refers to a third party trademark used or licensed by any Assignor, it shall mean such Assignor's license rights in such trademark and not the underlying third-party trademark itself.

use. With respect to any Trademark, all uses of such Trademark by, for or in connection with any Assignor or its business or for the direct or indirect benefit of such Assignor or its business, including all such uses by such Assignor itself, by any of the affiliates of such Assignor, or by any franchisee, licensee or contractor of such Assignor.

Unless otherwise provided herein, the rules of interpretation set forth in §1.2 of the Credit Agreement shall be applicable to this Trademark Agreement.

2. GRANT OF SECURITY INTEREST.

2.1. Security Interest; Assignment of Marks. As collateral security for the payment and performance in full of all of the Obligations, each Assignor hereby unconditionally grants to the Administrative Agent, for the benefit of the Lenders and the Administrative Agent, a continuing security interest in and first priority lien on the Pledged Trademarks, and pledges and mortgages (but does not transfer title to) the Pledged Trademarks to the Administrative Agent for the benefit of the Lenders and the Administrative Agent. In addition, each Assignor has executed in blank and delivered to the Administrative Agent an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Marks"). Each Assignor hereby authorizes the Administrative Agent to complete as assignee and record with the PTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Administrative Agent's remedies under this Trademark Agreement and the Security Agreement in connection with a foreclosure.

2.2. Supplemental to Security Agreement. Pursuant to the Security Agreement each Assignor has granted to the Administrative Agent, for the benefit of the Lenders and the Administrative Agent, a continuing security interest in and lien on the Collateral (including the Pledged Trademarks). The Security Agreement, and all rights and interests

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of the Administrative Agent in and to the Collateral (including the Pledged Trademarks) thereunder, are hereby ratified and confirmed in all respects. In no event shall this Trademark Agreement, the grant, assignment, transfer and conveyance of the Pledged Trademarks hereunder, or the recordation of this Trademark Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Security Agreement, the security interest of the Administrative Agent in the Collateral (including the Pledged Trademarks) pursuant to the Security Agreement and this Trademark Agreement, the attachment and perfection of such security interest under the Uniform Commercial Code (including the security interest in the Pledged Marks), or any present or future rights and interests of the Administrative Agent in and to the Collateral under or in connection with the Security Agreement, this Trademark Agreement or the Uniform Commercial Code. Any and all rights and interests of the Administrative Agent in and to the Pledged Trademarks (and any and all obligations of each Assignor with respect to the Pledged Trademarks) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Administrative Agent (and the obligations of each Assignor) in, to or with respect to the Collateral (including the Pledged Trademarks) provided in or arising under or in connection with the Security Agreement and shall not be in derogation thereof.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Each Assignor represents, warrants and covenants that: (i) Schedule A sets forth a true and complete list of all Trademarks and Trademark Registrations now owned, licensed, controlled or used by such Assignor; (ii) the Trademarks and Trademark Registrations are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the Trademarks or Trademark Registrations; (iii) to the best of such Assignor's knowledge, each of the Trademarks and Trademark Registrations is valid and enforceable; (iv) to the best of such Assignor's knowledge, there is no infringement by others of the Trademarks, Trademark Registrations or Trademark Rights; (v) no claim has been made that the use of any of the Trademarks does or may violate the rights of any third person, and to the best of such Assignor's knowledge, there is no infringement by such Assignor of the trademark rights of others; (vi) such Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks (other than ownership and other rights reserved by third party owners with respect to Trademarks that such Assignor is licensed to use), free and clear of any liens, charges, encumbrances and adverse claims, including pledges, assignments, licenses, registered user agreements and covenants by such Assignor not to sue third persons, other than the security interest and assignment created by the Security Agreement and this Trademark Agreement; (vii) such Assignor has the unqualified right to enter into this Trademark Agreement and to perform its terms and has entered and will enter into any written agreement with each of its present and future employees, agents, consultants, licensors and licensees as are necessary to enable such Assignor to comply with the covenants herein contained; (viii) such Assignor has used, and will continue to use, proper statutory and other appropriate proprietary notices in connection with its use

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of the Trademarks; (ix) such Assignor has used, and will continue to use for the duration of this Trademark Agreement, consistent standards of quality in its manufacture and provision of products and services sold or provided under the Trademarks; (x) this Trademark Agreement, together with the Security Agreement, will create in favor of the Administrative Agent a valid and perfected first priority security interest in the Pledged Trademarks upon making the filings referred to in clause (xi) of this §3; and (xi) except for the filing of financing statements with the Secretary of States for the Commonwealth of Massachusetts, the State of Delaware and the District of Columbia under the Uniform Commercial Code and the recording of this Trademark Agreement with the PTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (A) for the grant by such Assignor or the effectiveness of the security interest and assignment granted hereby or for the execution, delivery and performance of this Trademark Agreement by such Assignor, or (B) for the perfection of or the exercise by the Administrative Agent of any of its rights and remedies hereunder.

4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Administrative Agent's prior written consent and except for licenses of the Pledged Trademarks in the ordinary course of any Assignor's business consistent with its past practices, and except as permitted by the Credit Agreement, no Assignor will (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Pledged Trademarks, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with such Assignor's obligations under this Trademark Agreement or the Security Agreement.

5. AFTER-ACQUIRED TRADEMARKS, ETC.

5.1. After-acquired Trademarks. If, before the Obligations shall have been finally paid and satisfied in full, any Assignor shall obtain any right, title or interest in or to any other or new Trademarks, Trademark Registrations or Trademark Rights, the provisions of this Trademark Agreement shall automatically apply thereto and such Assignor shall promptly provide to the Administrative Agent notice thereof in writing and execute and deliver to the Administrative Agent such documents or instruments as the Administrative Agent may reasonably request further to implement, preserve or evidence the Administrative Agent's interest therein.

5.2. Amendment to Schedule. Each Assignor authorizes the Administrative Agent to modify this Trademark Agreement and the Assignment of Marks, without the necessity of any Assignor's further approval or signature, by amending Exhibit A hereto and the Annex to the Assignment of Marks to include any future or other Trademarks, Trademark Registrations or Trademark Rights under §2 or §5.

6. TRADEMARK PROSECUTION.

6.1. Assignors Responsible. Each Assignor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or

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desirable actions in connection with the Pledged Trademarks, and shall hold each of the Administrative Agent and the Lenders harmless from any and all costs, damages, liabilities and expenses that may be incurred by the Administrative Agent or any Lender in connection with the Administrative Agent's interest in the Pledged Trademarks or any other action or failure to act in connection with this Trademark Agreement or the transactions contemplated hereby.

6.2. Assignors' Duties, etc. (a) Each Assignor shall have the right and the duty to prosecute diligently any trademark registration applications of the Trademarks pending as of the date of this Trademark Agreement or thereafter, to preserve and maintain all rights in the Trademarks and Trademark Registrations, including the filing of appropriate renewal applications and other instruments to maintain in effect the Trademark Registrations and the payment when due of all registration renewal fees and other fees, taxes and other expenses that shall be incurred or that shall accrue with respect to any of the Trademarks or Trademark Registrations, in each case, in a commercially reasonable manner consistent with such Assignor's past business practices and (b) no Assignor may abandon any filed trademark registration application, or any Trademark Registration or Trademark unless such abandonment is in a commercially reasonable manner consistent with such Assignor's past business practices and in the ordinary course of such Assignor's business. Any expenses incurred in connection with such applications and actions shall be borne by the Assignors.

6.3. Assignors' Enforcement Rights. Each Assignor shall have the right and the duty to bring suit or other action in such Assignor's own name to maintain and enforce the Trademarks, the Trademark Registrations and the Trademark Rights, in each case, in a commercially reasonable manner consistent with such Assignor's past business practices. Any Assignor may require the Administrative Agent to join in such suit or action as necessary to assure such Assignor's ability to bring and maintain any such suit or action in any proper forum if (but only if) the Administrative Agent is completely satisfied that such joinder will not subject the Administrative Agent or any Lender to any risk of liability. Each Assignor shall promptly, upon demand, reimburse and indemnify the Administrative Agent for all damages, costs and expenses, including legal fees, incurred by the Administrative Agent pursuant to this §6.3.

6.4. Protection of Trademarks, etc. In general, each Assignor shall take any and all such actions (including institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Pledged Trademarks in a commercially reasonable manner consistent with such Assignor's past business practices. Subject to §6.2(b), no Assignor shall take or fail to take any action, nor permit any action to be taken or not taken by others under its control, that would adversely affect the validity, grant or enforcement of the Pledged Trademarks.

6.5. Notification by Assignors. Promptly upon obtaining knowledge thereof, the Assignors will notify the Administrative Agent in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency

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of the United States or any foreign country, or any court, regarding the validity of any of the Trademarks or Trademark Registrations or any Assignor's rights, title or interests in and to the Pledged Trademarks, and of any event that does or reasonably could materially adversely affect the value of any of the Pledged Trademarks, the ability of any Assignor or the Administrative Agent to dispose of any of the Pledged Trademarks or the rights and remedies of the Administrative Agent in relation thereto (including but not limited to the levy of any legal process against any of the Pledged Trademarks).

7. REMEDIES.

Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent shall have, in addition to all other rights and remedies given it by this Trademark Agreement (including, without limitation, those set forth in §2.1, the Credit Agreement, the Security Agreement and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the Commonwealth of Massachusetts, and, without limiting the generality of the foregoing, the Administrative Agent may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to any Assignor, all of which are hereby expressly waived, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Pledged Trademarks, or any interest that any Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Pledged Trademarks all expenses incurred by the Administrative Agent in attempting to enforce this Trademark Agreement (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations as set forth in or by reference in the Security Agreement. Notice of any sale, license or other disposition of the Pledged Trademarks shall be given to the Assignors at least twenty (20) days before the time that any intended public sale or other public disposition of the Pledged Trademarks is to be made or after which any private sale or other private disposition of the Pledged Trademarks may be made, which each Assignor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Administrative Agent may, to the extent permitted under applicable law, purchase or license the whole or any part of the Pledged Trademarks or interests therein sold, licensed or otherwise disposed of.

8. COLLATERAL PROTECTION.

If any Assignor shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of any Assignor shall be breached, the Administrative Agent, in its own name or that of such Assignor (in the sole discretion of the Administrative Agent), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Assignors jointly and severally agree promptly to reimburse the Administrative Agent for any cost or expense incurred by the Administrative Agent in so doing.

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9. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, each Assignor does hereby make, constitute and appoint the Administrative Agent (and any officer or agent of the Administrative Agent as the Administrative Agent may select in its exclusive discretion) as such Assignor's true and lawful attorney-in-fact, with full power of substitution and with the power, to the extent permitted by applicable law, to endorse such Assignor's name on all applications, documents, papers and instruments necessary for the Administrative Agent to use the Pledged Trademarks, or to grant or issue any exclusive or nonexclusive license of any of the Pledged Trademarks to any third person, or to take any and all actions necessary for the Administrative Agent to assign, pledge, convey or otherwise transfer title in or dispose of any of the Pledged Trademarks or any interest of such Assignor therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts that such Assignor is obligated to execute and do hereunder. Each Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and releases each of the Administrative Agent and the Lenders from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Administrative Agent under this power of attorney (except for the Administrative Agent's gross negligence or willful misconduct). This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Trademark Agreement.

10. FURTHER ASSURANCES.

Each Assignor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Administrative Agent may request or as may be necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Trademark Agreement, or to assure and confirm to the Administrative Agent the grant, perfection and priority of the Administrative Agent's security interest in the Pledged Trademarks.

11. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full, this Trademark Agreement shall terminate and the Administrative Agent shall, upon the written request and at the expense of the Assignors, execute and deliver to the Assignors all releases, deeds, assignments and other instruments as may be necessary or proper to reassign and re-vest in the Assignors the entire right, title and interest to the Pledged Trademarks previously granted, assigned, transferred and conveyed to the Administrative Agent by the Assignors pursuant to this Trademark Agreement, as fully as if this Trademark Agreement had not been made, subject to any disposition of all or any part thereof that may have been made by the Administrative Agent pursuant hereto or the Security Agreement.

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12. COURSE OF DEALING.

No course of dealing between any Assignor and the Administrative Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Administrative Agent, any right, power or privilege hereunder or under the Security Agreement or any other 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.

13. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and expenses incurred by the Administrative Agent in connection with the preparation of this Trademark Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, 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 or renewal fees, encumbrances, or otherwise protecting, maintaining or preserving the Pledged Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Pledged Trademarks, shall be borne and paid by the Assignors, such liability is to be borne jointly and severally.

14. OVERDUE AMOUNTS.

Until paid, all overdue amounts payable by any Assignor hereunder shall be a debt secured by the Pledged Trademarks and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Credit Agreement.

15. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NEITHER THE ADMINISTRATIVE AGENT NOR ANY LENDER ASSUMES ANY LIABILITIES OF ANY ASSIGNOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING SUCH ASSIGNOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PLEDGED TRADEMARKS OR ANY USE, LICENSE OR SUBLICENSE THEREOF, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY THE RESPONSIBILITY OF THE ASSIGNORS, AND THE ASSIGNORS SHALL JOINTLY AND SEVERALLY INDEMNIFY THE ADMINISTRATIVE AGENT AND THE LENDERS FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY THE ADMINISTRATIVE AGENT OR ANY LENDER WITH RESPECT TO SUCH LIABILITIES.

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16. NOTICES.

All notices and other communications made or required to be given pursuant to this Trademark Agreement shall be in writing and shall be delivered in hand, mailed by United States registered or certified first-class mail, postage prepaid, or sent by telegraph, telecopy or telex and confirmed by delivery via courier or postal service, addressed as follows:

(a) if to any of the Assignors, at 941 Grinnell Street, Fall River, MA 02721 Attention: General Counsel, or at such other address for notice as the Borrower shall last have furnished in writing to the person giving the notice; and

(b) if to the Administrative Agent, at One Federal Street, Boston, MA 02110, Attention: Matthew T. O'Keefe, or at such other address for notice as the Administrative Agent shall last have furnished in writing to the person giving the notice.

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by registered or certified first-class mail, postage prepaid, two (2) Business Days after the posting thereof, and (iii) if sent by telegraph, telecopy, or telex, at the time of the dispatch thereof, if in normal business hours in the country of receipt, or otherwise at the opening of business on the following Business Day.

17. AMENDMENT AND WAIVER.

This Trademark Agreement is subject to modification only by a writing signed by the Administrative Agent (with the consent of the Required Lenders) and the Assignors, except as provided in §5.2. The Administrative Agent shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Administrative Agent and the Required Lenders. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

18. GOVERNING LAW; CONSENT TO JURISDICTION.

THIS TRADEMARK AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS. Each Assignor agrees that any suit for the enforcement of this Trademark Agreement may be brought in the courts of the Commonwealth of Massachusetts or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon such Assignor by mail at the address specified in §16. Each Assignor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

TRADEMARK
REEL: 003474 FRAME: 0933

19. WAIVER OF JURY TRIAL.

EACH OF THE PARTIES HERETO IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR MASSACHUSETTS STATE COURT SITTING IN MASSACHUSETTS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS TRADEMARK AGREEMENT AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT. NONE OF THE PARTIES HERETO SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM OR OTHER LITIGATION PROCEDURE BASED UPON OR ARISING OUT OF OR OTHERWISE RELATED TO THIS AGREEMENT AND EACH OF THE PARTIES HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO ANY SUCH JURY TRIAL AND ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY SUCH PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS §19. Except as prohibited by law, each Assignor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. Each Assignor (i) certifies that none of the Administrative Agent, any Lender or any representative, agent or attorney of the Administrative Agent or any Lender has represented, expressly or otherwise, that the Administrative Agent or any Lender would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which the Administrative Agent or any Lender is a party, the Administrative Agent and the Lenders are relying upon, among other things, the waivers and certifications contained in this §19.

20. MISCELLANEOUS.

The headings of each section of this Trademark Agreement are for convenience only and shall not define or limit the provisions thereof. This Trademark Agreement and all rights and obligations hereunder shall be binding upon each Assignor and its respective successors and assigns, and shall inure to the benefit of the Administrative Agent, the Lenders and their respective successors and assigns. In the event of any irreconcilable conflict between the provisions of this Trademark Agreement and the Credit Agreement, or between this Trademark Agreement and the Security Agreement, the provisions of the Credit Agreement or the Security Agreement, as the case may be, shall control. If any term of this Trademark Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Trademark Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. Each Assignor acknowledges receipt of a copy of this Trademark Agreement.

[Remainder of page intentionally left blank]

TRADEMARK
REEL: 003474 FRAME: 0934

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

QUAKER FABRIC CORPORATION OF FALL RIVER
QUAKER FABRIC CORPORATION
QUAKER TEXTILE CORPORATION
QUAKER FABRIC MEXICO, S.A. de C.V.

By: _____
Name: Paul J. Kelly
Title: Vice President Finance

(Signature Page to Trademark Agreement)

BUSDOCS/1460638

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name: Matthew T. O'Keefe
Title: Senior Vice President

(Signature Page to Trademark Agreement)

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF Massachusetts)
) ss.
COUNTY OF Bristol)

On this 17th day of May, 2005, before me, the undersigned notary public, personally appeared Paul J. Kelly, proved to me through satisfactory evidence of identification, which were personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose as Vice President Finance of Quaker Fabric Corporation, Quaker Fabric Corporation of Fall River, Quaker Textile Corporation, and Quaker Fabric Mexico, S.A. de C.V.

Lucy C. Thompson
(official signature and seal of notary)

My commission expires: July 28, 2011

(Acknowledgment Page to Trademark Agreement)

BUSDOCS/1460638

SCHEDULE A

Trademark or Service Mark	Registrations -- United States Patent and Trademark Office Registration No.	Registration Date
Quaker Fabric & Design	2,312,967	02/01/2000
Quaker Plush	2,400,428	10/31/2000
W (and Design)	2,081,771	07/22/1997
Davol	2,676,289	01/21/2003
Whitaker	2,775,289	10/21/2003
Quaker Ultra	2,893,921	10/12/2004

Trademark or Service Mark	Pending Applications -- United States Patent and Trademark Office Serial No.	Filing Date
Replay (and Design)	78/318,487	10/24/2003
Terrazzo	78/745,893	11/02/2005

EXHIBIT 1

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

WHEREAS, **QUAKER FABRIC CORPORATION OF FALL RIVER**, a Massachusetts corporation (the "Borrower"), **QUAKER TEXTILE CORPORATION**, a Massachusetts corporation ("Quaker Textile"), **QUAKER FABRIC MEXICO, S.A. de C.V.**, a Mexican corporation ("Quaker Mexico"), and **QUAKER FABRIC CORPORATION**, a Delaware corporation (the "Parent", and together with Quaker Textile and Quaker Mexico, the "Guarantors") (each of the Borrower and Guarantors being sometimes referred to herein as an "Assignor" and collectively, as the "Assignors") have adopted and used and are using the trademarks and service marks (the "Marks") identified on the Annex hereto, and are the owners of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, [_____] (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, each Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (i) the registrations of and registration applications for the Marks, (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this___ day of ___, 20__.

QUAKER FABRIC CORPORATION OF FALL RIVER
QUAKER FABRIC CORPORATION
QUAKER TEXTILE CORPORATION
QUAKER FABRIC MEXICO, S.A. de C.V.

By:_____
Name:
Title:

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignors to the Assignee is hereby accepted as of the ___ day of _____, 20__.

By: _____
Name:
Title:

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of May, 2005, before me, the undersigned notary public, personally appeared Paul J. Kelly, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose as Vice President Finance of Quaker Fabric Corporation, Quaker Fabric Corporation of Fall River, Quaker Textile Corporation, and Quaker Fabric Mexico, S.A. de C.V.

_____
(official signature and seal of notary)

My commission expires:

ANNEX

Trademark or Service Mark	Registrations -- United States Patent and Trademark Office Registration No.	Registration Date
Quaker Fabric & Design	2,312,967	02/01/2000
Quaker Plush	2,400,428	10/31/2000
W (and Design)	2,081,771	07/22/1997
Davol	2,676,289	01/21/2003
Whitaker	2,775,289	10/21/2003
Quaker Ultra	2,893,921	10/12/2004

Trademark or Service Mark	Pending Applications -- United States Patent and Trademark Office Serial No.	Filing Date
Replay (and Design)	78/318,487	10/24/2003
Terrazzo	78/745,893	11/02/2005

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

WHEREAS, **QUAKER FABRIC CORPORATION OF FALL RIVER**, a Massachusetts corporation (the "Borrower"), **QUAKER TEXTILE CORPORATION**, a Massachusetts corporation ("Quaker Textile"), **QUAKER FABRIC MEXICO, S.A. de C.V.**, a Mexican corporation ("Quaker Mexico"), and **QUAKER FABRIC CORPORATION**, a Delaware corporation (the "Parent", and together with Quaker Textile and Quaker Mexico, the "Guarantors") (each of the Borrower and Guarantors being sometimes referred to herein as an "Assignor" and collectively, as the "Assignors") have adopted and used and are using the trademarks and service marks (the "Marks") identified on the Annex hereto, and are the owners of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, [_____] (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, each Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (i) the registrations of and registration applications for the Marks, (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this___ day of ___, 20__.

QUAKER FABRIC CORPORATION OF FALL RIVER
QUAKER FABRIC CORPORATION
QUAKER TEXTILE CORPORATION
QUAKER FABRIC MEXICO, S.A. de C.V.

By:_____
Name: Paul J. Kelly
Title: Vice President Finance

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignors to the Assignee is hereby accepted as of the ___ day of _____, 20__.

By:_____
Name:
Title:

(Signature Page to Assignment of Trademarks)

BUSDOCS/1460638

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF Massachusetts)
) ss.
COUNTY OF Bristol)

On this 18 day of May, 2005, before me, the undersigned notary public, personally appeared Paul J. Kelly, proved to me through satisfactory evidence of identification, which were personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose as Vice President Finance of Quaker Fabric Corporation, Quaker Fabric Corporation of Fall River, Quaker Textile Corporation, and Quaker Fabric Mexico, S.A. de C.V.

Lucy C. Thompsen
(official signature and seal of notary)

My commission expires:

LUCY C. THOMPSEN
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires July 28, 2011

(Acknowledgment Page to Assignment of Trademarks)

BUSDOCS/1460638

ANNEX

Trademark or Service Mark	Registrations -- United States Patent and Trademark Office Registration No.	Registration Date
Quaker Fabric & Design	2,312,967	02/01/2000
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