Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: NEW ASSIGNMENT

NATURE OF CONVEYANCE: SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Performance Fibers, Inc.		10/05/2007	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Performance Fibers Holdings Finance, Inc.
Street Address:	707 EAST MAIN STREET, STE 1800
City:	Richmond
State/Country:	VIRGINIA
Postal Code:	23219
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 9

Property Type	Number	Word Mark
Serial Number:	72252510	A.C.E.
Serial Number:	78099494	BELTEC
Serial Number:	75628318	PENTEC
Serial Number:	78164746	SEAGARD
Serial Number:	73757637	SEAGARD
Serial Number:	76265271	SECURUS
Serial Number:	75315788	SUBSTRAIGHT
Serial Number:	75545098	WICKGARD
Serial Number:	78534965	PERFORMANCE FIBERS

CORRESPONDENCE DATA

Fax Number: (202)739-3001

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 202-739-5652

Email: chowell@morganlewis.com

TRADEMARK REEL: 003991 FRAME: 0460 72252510

CH \$240.00

900134588

I.		
Correspondent Name:	Catherine R. H	owell, Senior Paralegal
Address Line 1:	1111 Pennsylv	ania Ave., N.W.; Attn: TMSU
Address Line 4:	Washington, D	DISTRICT OF COLUMBIA 20004
ATTORNEY DOCKET NU	JMBER:	063264-0029
NAME OF SUBMITTER:		Catherine R. Howell, Senior Paralegal
Signature:		/Catherine R. Howell/
Date:		05/21/2009
Total Attachments: 10		
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SECOND LIEN TRADEMARK SECURITY AGREEMENT

This SECOND LIEN TRADEMARK SECURITY AGREEMENT (this "Trademark Security Agreement") is made this 5th day of October, 2007, among the Grantor listed on the signature page hereof ("Grantor"), and PERFORMANCE FIBERS HOLDINGS FINANCE, INC., in its capacity as administrative agent for the Lender Group (together with its successors, "Administrative Agent").

WITNESSETH:

WHEREAS, pursuant to that certain Second Lien Credit Agreement dated as of October 5, 2007 (as amended, restated, supplemented or otherwise modified from time to time, including all schedules thereto, the "Credit Agreement") by and among Performance Fibers, Inc., a Delaware corporation ("Performance Fibers"), DSE Holding Corp., a Delaware corporation ("DSE"), Performance Fibers Scottsboro, Inc., a Delaware corporation ("PF Scottsboro"), Performance Fibers Winfield, Inc., a Delaware corporation ("PF Winfield" and, collectively with Performance Fibers, DSE, and PF Scottsboro, each a "Borrower" and collectively the "Borrowers"), Performance Fibers Holdings, Inc., a Delaware corporation ("PF Holdings"), the lenders party thereto as "Lenders" ("Lenders"), and Performance Fibers Holdings Finance, Inc., as a lender and as administrative agent for the Lenders, the Lender Group is willing to make certain financial accommodations available to Borrowers from time to time pursuant to the terms and conditions thereof, and

WHEREAS, the members of the Lender Group are willing to make the financial accommodations to Borrowers as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor and certain of its affiliates shall have executed and delivered to Administrative Agent, for the benefit of Lender Group, that certain Security Agreement dated of even date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Administrative Agent, for the benefit of Lender Group, this Trademark Security Agreement;

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

- 1. <u>DEFINED TERMS</u>. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement and/or the Credit Agreement.
- 2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Administrative Agent, for the benefit of the Lender Group, a continuing second priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (other than Excluded Property)(collectively, the "Trademark Collateral"):

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- (a) all of its Trademarks and Trademark Intellectual Property Licenses to which it is a party including those Trademarks referred to on Schedule I hereto;
 - (b) all renewals of the foregoing;
- (c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark Intellectual Property License; and
- (d) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or any Trademark licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Intellectual Property License.
- 3. <u>SECURITY AGREEMENT</u>. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Administrative Agent, for the benefit of the Lender Group, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Administrative Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.
- 4. <u>AUTHORIZATION TO SUPPLEMENT</u>. If Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Security Agreement shall automatically apply thereto. Grantor shall give prompt notice in writing to Administrative Agent with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting Grantor's obligations under this <u>Section 4</u>, Grantor hereby authorizes Administrative Agent unilaterally to modify this Agreement by amending <u>Schedule I</u> to include any such new trademark rights of Grantor. Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend <u>Schedule I</u> shall in any way affect, invalidate or detract from Administrative Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.
- 5. <u>TERMINATION</u>. Upon payment in full of the Obligations in accordance with the provisions of the Credit Agreement and termination or expiration of the Commitments, the Administrative Agent shall, at Grantor's expense, execute, acknowledge and deliver to Grantor proper documents and instruments acknowledging the release of the lien and security interest in the Trademark Collateral under this Trademark Security Agreement.
- 6. <u>COUNTERPARTS</u>. This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Trademark Security Agreement or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.
- 7. <u>INTERCREDITOR AGREEMENT</u>. Notwithstanding anything herein to the contrary, the lien and security interest granted to the Administrative Agent pursuant to this DB1/62765151.1

Agreement and the other Loan Documents and the exercise of any right or remedy by the Administrative Agent hereunder and thereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement or any other Loan Document, the terms of the Intercreditor Agreement shall govern and control. Any reference in this Agreement and the other Loan Documents to a "second priority lien" or words of similar effect in describing the security interests created hereunder shall be understood to refer to such priority subject to the claims of the Senior Secured Parties (as defined in the Intercreditor Agreement). All representations, warranties and covenants in this Agreement and the other Loan Documents shall be subject to the provisions and qualifications set forth in this Section 7.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

PERFORMANCE FIBERS, INC.

By:

Name:

Title:

President & CEO

ACCEPTED AND ACKNOWLEDGED BY:

PERFORMANCE FIBERS HOLDINGS FINANCE, INC., as Administrative Agent

Name:

Title:

Second Lien Trademark Security Agreement

SCHEDULE I to SECOND LIEN TRADEMARK SECURITY AGREEMENT

See attached.

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PERFORMANCE FIBERS, INC. - UNITED STATES AND INTERNATIONAL TRADEMARKS AND TRADEMARK APPLICATIONS

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Next Deadline	26-Apr- 2016 (Renewal)	22-Nov- 2010 (Renewal)	06-Nov- 2009 (Renewal)	23-Mar- 2009 (Renewal)	26-Aug- 2014 (Renewal)	18-Nov- 2010 (Renewal)	30-Nov- 2010 (Renewal)
Reg	02-May- 1997	01-Sep- 1991	07-Nov- 1999	11-May- 2000	07-Dec- 2005	17-Jan- 1992	01-Feb- 2001
Reg. No.	707310	0490984	1330050	001131234	004001731	1687409	30085203
FIIIng	26-Apr- 1996	22-Nov- 1990	03-Apr- 1996	23-Mar- 1999	26-Aug- 2004	19-Nov- 1990	20-Nov- 2000
App. Not	707310	0755617	1330050	001131234	004001731	250138	30085203.7
Status	Registered						
mademank	DSP	DSP	DSP	PENTEC (Stylized)	SEAGARD	DSP	DSP
2 Wrisdietion	Australia	Benelux	China	European Community	European Community	France	Germany
MIB File No	063264. 0005. 0011	063264. 0005. 0012	063264. 0005. 0013	063264. 0005. 0015	063264. 0005. 0014	063264. 0005. 0016	063264. 0005. 0017

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Next Deadline Date	12-Dec- 2010 (Renewal)	29-May- 2008 (Renewal)	14-Nov- 2007 (Renewal)	27-Jul- 2013 (Renewal)	17-Sep- 2014 (Renewal)		03-May- 2017 (Renewal)	18-Jan- 2014 (Renewal)
Reg. Date	03-Oct- 2003	29-May- 1998	14-Nov- 1997	27-Jul- 2003	17-Sep- 2004		08-Sep- 1998	18-Jan- 2004
Reg. No.	911505	4150688	4003822480000	96008593	04013996		261748	41996109794D
Filing Date	06-Dec- 1990	07-May- 1996	03-May- 1996	27-Jul- 1996	17-Sep- 2004	17-Sep- 2004	03-May- 1996	16-Jul- 1996
App. No.	TO/2000/3918	H08-048786	40-1996- 0017954	96008593	04013996	04013997	261748	41996109794D
Status	Registered	Registered	Registered	Registered	Registered	Pending	Registered	Registered
- Trademark	DSP	DSP	DSP	DSP	SEAGARD	SEAGARD	DSP	DSP
Jurisdiction	Italy	Japan	Korea, Republic of	Malaysia	Malaysia	Malaysia	New Zealand	Philippines
MLB File No.	063264. 0005. 0018	063264. 0005. 0019	063 264. 000 5. 0027	063264. 0005. 0020	063264. 0005. 0021	063264. 0005. 0022	063264. 0005. 0023	063264. 0005. 0024

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Next Deadline Date	31-Aug- 2014 (Renewal)	31-Aug- 2014 (Renewal)	03-Dec- 2010 (Renewal)	14-Nov- 2013 (Renewal)	15-Dec- 2016 (Renewal)	14-Sep- 2014 (Renewal)	14-Sep- 2014 (Renewal)	18-Mar- 2011 (Renewal)
Reg. Date	02-Jun- 2005	16-Jun- 2005	05-Dec- 1991	14-Nov- 2003	16-Dec- 1996	01-Jun- 2005	26-Jul- 2005	18-Mar- 2001
Reg. No.	T0414622E	T0414623C	1603974 M2	363923	740830	TM220720	TM223204	126456
Filing	31-Aug- 2004	31-Aug- 2004	04-Dec- 1990	08-Aug- 2002	06-May- 1996	15-Sep- 2004	15-Sep- 2004	18-Mar- 1991
App. No:	T0414622E	T0414623C	1603974 M2	2002/05050	85021012	565567	565568	21013
Status	Registered							
Trademerk	SEAGARD	SEAGARD	DSP	DSP	DSP	SEAGARD	SEAGARD	DSP
Jurisdictions	Singapore	Singapore	Spain	Sweden	Taiwan	Thailand	Thailand	Turkey
MLB	063264. 0005. 0025	063264. 0005. 0026	063264. 0005. 0028	063264. 0005. 0029	063264. 0005. 0030	063264. 0005. 0031	063264. 0005. 0032	063264. 0005. 0033

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Next Deadline Date	07-Nov- 2007 (Renewal)	07-Sep- 2009 (Affidavit of Use)	10-Sep- 2007 (Affidavit of Use)	18-Jan- 2010 (Affidavit of Use)	19-Sep- 2009 (Renewal)	18-Jan- 2010 (Affidavit of Use)	25-Aug- 2008 (Renewal)	14-May- 2007 (Affidavit of Use)
Reg. Date	07-Nov- 1967	07-Sep- 2004	10-Sep- 2002	18-Jan- 2005	19-Sep- 1989	18-Jan- 2005	25-Aug- 1998	14-May- 2002
Reg. No.	838143	2882864	2618502	2919780	1556416	2918318	2183874	2568801
Filing	17-Aug- 1966	20-Dec- 2001	26-Jan- 1999	17-Sep- 2002	14-Oct- 1988	01-Jun- 2001	27-Jun- 1997	31-Aug- 1998
i. App. No.	72252510	78099494	75628318	78164746	73757637	76265271	75315788	75545098
Status	Registered	Registered	Registered	Registered	Registered	Registered	Registered	Registered
Trademark	A.C.E.	BELTEC	PENTEC	SEAGARD	SEAGARD	SECURUS	SUBSTRAIGHT	WICKGARD
Jurisdiction	United States of America	United States of America	United States of America	United States of America	United States of America	United States of America	United States of America	United States of America
MLB File No.	063264. 0005. 0003	063264. 0005. 0004	063264. 0005. 0006	063264. 0005. 0001	063264. 0005. 0007	0632 64 . 0005. 0002	0632 6 4. 0005. 0008	063264. 0005. 0010

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TRADEMARK	COUNTRY	CLASS(ES)	APPL, NO	REG NO.	STATUS AND REMARKS	TTC REF ALL
			FILING DATE	ISSUE DATE		025751 (JAH)
PERFORMANCE	Australia	22	1035257	1035257	Registered	-000200AU
FIBERS & Design			12/20/2004	08/01/2005	Next Due Date: Next Renewal Due 12/20/2014	
PERFORMANCE	Brazil	22	827024258		Pending (Published)	-000200BR
FIBERS & Design			12/21/2004		Publication Date: 12/13/2005	
PERFORMANCE	Canada		1241523	TMA682299	Registered	-000200CA
FIBERS & Design			12/21/2004	02/23/2007	Next Due Date: Next Renewal Due 02/23/2022	
PERFORMANCE	China	17	4502769		Pending	-000200CN
FIBERS & Design			02/06/2005			
PERFORMANCE	China	22	4502770		Pending	-000201CN
FIBERS & Design			02/06/2005			
PERFORMANCE	European	22	004208757	004208757	Registered	-000200EU
FIBERS & Design	Union		12/20/2004	05/08/07	Next Due Date: Next Renewal Due 12/20/2014	
PERFORMANCE	India	22	1326998		Pending	-000200IN
FIBERS & Design			12/20/2004			
PERFORMANCE	Indonesia	22	D00.2005.01600.01610		Pending	-000200ID
FIBERS & Design			01/19/2005			
PERFORMANCE	Korea (South)	22	2004-57357	649326	Registered	-000200KR
FIBERS & Design			12/20/2004	02/01/2006	Next Due Date: Next Renewal Due 02/01/2016	
PERFORMANCE	Malaysia	17	05/002118		Pending	-0002000MY
FIBERS & Design			02/15/2005			
PERFORMANCE	Malaysia	22	2005/02117	05002117	Registered	-000201MY
FIBERS & Design			02/15/2005	04/10/2007	Next Due Date: Next Renewal Due 02/15/2015	
PERFORMANCE	US	6, 12, 17, 19,	78/534965		Pending (Allowed)	-0002000US
FIBERS & Design		20, 22	12/17/2004		Next Due Date: SOU/EOT 6 Month 11/22/2007	

RECORDED: 05/21/2009