

TRADEMARK ASSIGNMENT

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
Tubular Textile Machinery, Inc.		02/01/2011	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	CapitalSouth Partners SBIC Fund III, L.P.		
Street Address:	4201 Congress Street		
Internal Address:	Suite 360		
City:	Charlotte		
State/Country:	NORTH CAROLINA		
Postal Code:	20209		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	2894372	PAK-NIT	
Registration Number:	0290179	TUBE-TEX	
CORRESPONDENCE DATA			
Fax Number:	(704)353-3600		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(704) 331-7400		
Email:	chdoCKET@klGates.com		
Correspondent Name:	K&L Gates LLP		
Address Line 1:	214 North Tryon Street		
Address Line 2:	Hearst Tower, 47th Floor		
Address Line 4:	Charlotte, NORTH CAROLINA 28202		
ATTORNEY DOCKET NUMBER:	2829226.00017		
NAME OF SUBMITTER:	Karl S. Sawyer, Jr.		

OP \$65.00 2894372

Signature:	/Karl S. Sawyer, Jr./
Date:	02/02/2011
Total Attachments: 4 source=Security Agr#page1.tif source=Security Agr#page2.tif source=Security Agr#page3.tif source=Security Agr#page4.tif	

TRADEMARK SECURITY AGREEMENT

Trademark Security Agreement (this "Agreement") dated as of February 1, 2011 by and between **TUBULAR TEXTILE MACHINERY, INC.**, a Delaware corporation (the "Grantor"), having its chief executive office at 113 Woodside Drive, Lexington, NC 27292, and CAPITALSOUTH PARTNERS SBIC FUND III, L.P., a Delaware limited partnership, as collateral agent (in such capacity, the "Collateral Agent"), with offices at 4201 Congress Street, Suite 360, Charlotte, North Carolina 28209, for the ratable benefit of the Holders (as defined in the Note Agreement described below).

This Agreement is executed pursuant to the terms of (a) the Senior Note Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Note Agreement") by and among the Loan Parties (as defined therein), the Collateral Agent and the Holders party thereto and (b) the Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement") executed by the Grantors (as defined therein) in favor of the Collateral Agent, for the ratable benefit of the Holders. Capitalized terms used herein but not defined herein shall have the meaning assigned to them in the Note Agreement or the Security Agreement, as applicable.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the Grantor hereby grants to the Collateral Agent, for the ratable benefit of the Holders, a continuing security interest in all of the Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter arising or acquired:

- (i) all Trademarks and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark of the Grantor (excluding trademark applications for which Grantor has not filed and had accepted under applicable law a "Statement of Use" or "Amendment to Allege Use"), including, without limitation, each Trademark listed on Schedule A;
- (ii) all claims by the Grantor against third parties (a) for past, present or future infringement or dilution of any Trademark, including, without limitation, any Trademark listed on Schedule A or (b) injury to the goodwill associated with any Trademark; and
- (iii) all products and proceeds of the foregoing.

The rights and remedies of the Collateral Agent with respect to the security interest granted herein are without prejudice to, and are in addition to, those set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Agreement are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

TUBULAR TEXTILE MACHINERY, INC., as
Grantor

By: W. Motchar
Name: William J. Motchar
Title: President and Chief Executive Officer

ACKNOWLEDGMENT

STATE OF NC
COUNTY OF Davidson

I, Tresa Becker, a Notary Public for said County and State, do hereby certify that William J. Motchar personally appeared before me this day and stated that he is President and Chief Executive Officer of TUBULAR TEXTILE MACHINERY, INC. and acknowledged, on behalf of TUBULAR TEXTILE MACHINERY, INC., the due execution of the foregoing instrument.

Witness my hand and official seal, this 20 day of January, 2011.

Tresa Becker
Notary Public

My commission expires:

4/28/2014

[Signature Pages Continue]


[Trademark Security Agreement – TUBULAR TEXTILE MACHINERY, INC.]

TRADEMARK
REEL: 004465 FRAME: 0833

Agreed and Accepted as of the date first above written.

CAPITALSOUTH PARTNERS SBIC FUND III, L.P.

By: CAPITALSOUTH PARTNERS SBIC F-III, LLC
Its: General Partner

By: 
Name: Joseph B. Alala III
Title: President and CEO

Schedule A to Trademark Security Agreement

TUBULAR TEXTILE MACHINERY, INC. TRADEMARKS

Property	Country	Status	Class	Serial Number	Filing Date	Registration Number	Registration Date	Expiration Date
Pak-Nit	US	Registered	_007	76/492,218	2/19/2003	2,894,372	10/19/2004	10/19/2014
Tube Tex & Design	US	Registered	_007	71318338	8/22/1931	290179	12/22/1931	12/22/2011
Pak-Nit	SI	Registered	_007	Z200570098	1/21/2005	200570098	1/21/2005	1/21/2015
Pak-Nit	SG	Registered	_025	S57490	4/4/1973	T7357490G	4/4/1973	4/4/2014
Tube Tex & Design	MX	Registered	_007	99256	10/24/1959	99256	10/24/1959	10/24/2014
Tube Tex & Design	MX	Registered	_025	167678	4/29/2001	167678	4/29/2001	4/29/2011
Tube Tex & Design	IT	Registered	_007	21436C/67	2/9/1967	792387	2/9/1997	2/9/2017
Tube Tex & Design	IE	Registered	_007	288/67	2/21/1967	B74485	2/21/1967	2/21/2012
Tube Tex & Design	GB	Registered	_007	906723	3/14/1967	906723	3/14/1967	3/14/2017
Pak-Nit	CA	Registered	_N/A	1167510	2/14/2003	TMA615404	7/21/2004	7/21/2019
Tube Tex & Design	CA	Registered	_N/A	226838	9/27/1954	TMA100588	5/6/1955	5/6/2015
Tube Tex & Design	CA	Registered	_N/A	304350	4/25/1967	TMA157008	5/31/1968	5/31/2013
Tube Tex & Design	BX	Registered	_007	12574	9/24/1971	62736	9/24/1971	9/24/2013
Tube Tex & Design	BR	Registered	_007	10199/M-81	4/27/1981	810101998	3/22/1983	3/22/2013

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