

10-19-1998



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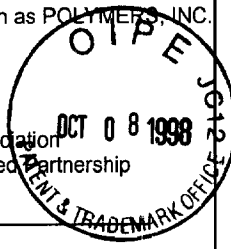
To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

SPECIALTY FILAMENTS, INC. formerly known as POLYMERS, INC.

- Individual
- General Partnership
- Corporation-State - Delaware
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No



2. Name and address of receiving party(ies):

Name LaSalle Business Credit, Inc.

Internal Address: _____

Street Address: 120 E. Baltimore Street, Suite 1800

City Baltimore

State Maryland ZIP 21202

- Individual (s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporate-State Delaware
- Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached:

Yes No

Additional name(s) & addresses(es) attached?

Yes No

3. Name of Conveyance:

10-8-98

- Assignment
- Merger
- Security Agreement
- Change of Name
- Other Amended and Restated Trademark Security Agreement

Execution Date: 9/23/98

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)
75/350,349; 75/512,493; 75/324,631

B. Trademark Registration No.(s)

440,358;

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: CELINE JIMENEZ CROWSON, ESQ.

Internal Address: ROTHWELL, FIGG, ERNST & KURZ

Street Address: 555-13th Street, N.W., Suite 701-East Tower

City: Washington

State: D.C. Zip 20004

6. Total number of applications and registrations involved: _____

49

7. Total fee (37 CFR 3.41): . . . \$ _____

1,240.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

~~02205~~ 02-2135

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a True copy of the original document.

CELINE JIMENEZ CROWSON
Name of Person Signing

Signature

10/08/98
Date

Total number of pages including cover sheet, attachments and documents: 12

10/16/1998 TTDM11 00000142 440358

01 FC:481
02 FC:482

40.00 EP
1200.00 EP

Continuation of box 4. Trademark Registration No.(s)

566,368
 654,594
 654,596
 658,173
 718,398
 766,938
 765,284
 770,962
 790,533
 792,763
 810,583
 807,708
 807,709
 838,148
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 765,698
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 1,159,209
 1,167,359
 1,477,691
 667,904
 611,251
 982,391
 936,884
 703,717
 916,957
 1,918,007
 1,918,009
 348,096
 114,278
 343,525
 346,687
 343,527
 143,588
 343,526
 343,574
 133,817

**AMENDED AND RESTATED
TRADEMARK SECURITY AGREEMENT**

THIS AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT ("AGREEMENT") is made as of September 23, 1998, by and between SPECIALTY FILAMENTS, INC., formerly known as Polymers, Inc., a Delaware corporation, and successor by merger to Hahl Filaments, Inc., a South Carolina corporation ("BORROWER"), with its mailing address at Two Dundee Park, Suite 103, Andover, Massachusetts 01810, and LASALLE BUSINESS CREDIT, INC., a Delaware corporation ("AGENT"), with its principal place of business at 120 E. Baltimore Street, Suite 1800, Baltimore, Maryland 21202, individually and as agent for the benefit of the lenders (collectively, the "LENDERS") now or hereafter party to the Amended and Restated Loan and Security Agreement of even date herewith between the LENDERS, the AGENT and the BORROWER (collectively, "LOAN AGREEMENT").

RECITALS

Pursuant to the Loan and Security Agreement dated as of June 7, 1996, as modified by the First Amendment to Loan and Security Agreement dated as of July 31, 1996 (collectively, "ORIGINAL LOAN AGREEMENT") by and between the BORROWER and the AGENT, and various other documents, instruments and agreements executed by or on behalf of the BORROWER in connection with the above-described credit accommodations (together with the ORIGINAL LOAN AGREEMENT, collectively, "ORIGINAL LOAN DOCUMENTS"), the AGENT extended various credit accommodations to the BORROWER. The BORROWER'S obligations to the AGENT under the ORIGINAL LOAN DOCUMENTS are secured by a lien on and security interest in all of the BORROWER'S tangible and intangible assets, including but not limited to all trademark and service mark rights owned by the BORROWER, pursuant to the terms of the ORIGINAL LOAN AGREEMENT and the other ORIGINAL LOAN DOCUMENTS, including the Trademark Security Agreement dated as of June 7, 1996 from the BORROWER to the AGENT, and recorded with the United States Patent and Trademark Office on June 20, 1996 at Reel 1473, Frame 0172, as modified by the Amendment to Trademark Security Agreement dated as of July 31, 1996, and recorded with the United States Patent and Trademark Office on August 28, 1996 at Reel 1497, Frame 0635 (collectively, "ORIGINAL AGREEMENT").

The BORROWER has requested that the LENDERS extend certain additional credit accommodations to the BORROWER. The LENDERS have agreed to provide the additional credit accommodations to the BORROWER upon the terms and conditions set forth in the LOAN AGREEMENT, which amends and restates in its entirety the ORIGINAL LOAN AGREEMENT, and various other documents, instruments and agreements executed by or on behalf of the BORROWER in connection with such credit accommodations (together with the LOAN AGREEMENT and the ORIGINAL LOAN DOCUMENTS, collectively, "LOAN DOCUMENTS").

Each of the LENDERS has agreed to assume a portion of the financing extended to the BORROWER pursuant to the ORIGINAL LOAN DOCUMENTS and to extend a portion of the additional credit accommodations to be extended to the BORROWER, and each of the LENDERS has appointed the AGENT to act as agent for the LENDERS in connection with the extension of credit accommodations to the BORROWER in accordance with the LOAN AGREEMENT.

It is a condition precedent to the LENDERS' agreement to extend the additional credit accommodations that the BORROWER enter into this AGREEMENT, which shall amend and restate in its entirety the terms of the ORIGINAL AGREEMENT, in order to grant to the AGENT, as agent for the LENDERS, a lien and a security interest in all trademark and service mark rights owned by the BORROWER. The BORROWER also has granted to the AGENT a lien on and security interest in all of the BORROWER'S assets, including but not limited to those assets relating to products sold under the trademarks and services rendered under the service marks, whereby the AGENT, upon the occurrence of an EVENT OF DEFAULT (as such term is defined in the LOAN AGREEMENT), shall have the right to foreclose on the trademarks, service marks and other assets of the BORROWER, in order that the AGENT or its assignee may continue the sale of products sold and services rendered under the trademarks and service marks.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, the BORROWER agrees with the AGENT as follows:

Section 1. Grant of Security Interest. The BORROWER, as additional security for the complete and timely payment, performance and satisfaction of all of the OBLIGATIONS (as hereafter defined), hereby grants unto the AGENT, individually and as agent for the LENDERS, its successors and assigns, upon the following terms and conditions, a continuing lien on and security interest in those certain trademarks and service marks registered with the United States Patent and Trademark Office in the name of the BORROWER, and described on Exhibit A attached hereto and made a part hereof, together with any renewals thereof, and the entire goodwill of the business in connection with which such trademarks and service marks are used, and all claims for damages by reason of past infringement of such trademarks and service marks with the right to sue for and collect the same (collectively, "TRADEMARKS") and all license rights in the TRADEMARKS. As used herein, the term "OBLIGATIONS" shall mean all duties of payment and performance, whether direct or indirect, both now existing and arising from time to time, owed by the BORROWER to the AGENT and the LENDERS under the LOAN AGREEMENT and the other LOAN DOCUMENTS. This AGREEMENT is delivered pursuant to and in confirmation of the terms and conditions of the LOAN AGREEMENT, which terms and conditions are

incorporated by reference into this AGREEMENT and made a part hereof as if fully set out herein.

Section 2. Additional Trademarks Or Service Marks. If, before the OBLIGATIONS shall have been satisfied in full, the BORROWER shall obtain rights to any new trademarks or service marks, the provisions of Section 1 shall automatically apply thereto and the BORROWER shall give prompt written notice thereof to the AGENT. The BORROWER irrevocably and unconditionally authorizes the AGENT to modify this AGREEMENT by amending Exhibit A to include any additional trademarks, service marks and applications therefor owned or acquired by Borrower without any further assent or signature of the BORROWER.

Section 3. Purpose. This AGREEMENT has been executed and delivered by the BORROWER for the purpose of recording the grant of security interest herein with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the AGENT under the LOAN AGREEMENT. The LOAN AGREEMENT shall remain in full force and effect in accordance with its terms.

Section 4. Representations And Warranties. The BORROWER represents and warrants that as of the date of this AGREEMENT, each of the following statements are true and correct, except to the extent that failure thereof would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect (as that term is defined in the LOAN AGREEMENT):

a. The TRADEMARKS are subsisting and have not been adjudged invalid or unenforceable in whole or in part;

b. Each of the TRADEMARKS is valid and enforceable;

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 BORROWER is the sole and exclusive owner of the entire unencumbered right, title and interest in and to each of the TRADEMARKS, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, registered user agreements and covenants by the BORROWER not to sue third persons, except for Permitted Liens (as that term is defined in the LOAN AGREEMENT); and

e. The BORROWER has the unqualified right to enter into this AGREEMENT and to perform its terms.

Section 5. Maintenance of Trademarks; Prosecution Of Applications And Proceedings. To the extent consistent with the

reasonable business judgment of the BORROWER, the BORROWER shall: (i) maintain the registration of the TRADEMARKS, and take all actions necessary to maintain, preserve and continue the validity and enforceability of the TRADEMARKS, including but not limited to the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings, and the payment of any and all application, renewal, extension or other fees; (ii) prosecute diligently, through counsel acceptable to the AGENT, any trademark applications of the TRADEMARKS pending as of the date of this AGREEMENT or thereafter until the OBLIGATIONS shall have been paid in full; (iii) make federal application on registrable but unregistered TRADEMARKS; (iv) file and prosecute opposition and cancellation proceedings and do any and all acts which are necessary or desirable to preserve and maintain all rights in the TRADEMARKS; and (v) not abandon any TRADEMARK. Any expenses incurred in connection with the TRADEMARKS shall be borne by the BORROWER.

Section 6. Agreement to Assign Interest. In the event of acceleration of the OBLIGATIONS in accordance with paragraph 17 of the LOAN AGREEMENT, in addition to all other rights and remedies available to the AGENT and the LENDERS under the LOAN AGREEMENT or applicable law, the BORROWER hereby agrees to execute documents considered necessary or appropriate by the AGENT to effectuate the assignment, transfer and conveyance of the TRADEMARKS to the AGENT or its assignee. All of the AGENT'S rights and remedies with respect to the TRADEMARKS, whether established by this AGREEMENT, by the LOAN AGREEMENT, by any other LOAN DOCUMENT, or by law shall be cumulative and may be exercised singularly or concurrently.

Section 7. Patent And Trademark Office May Rely Upon This Assignment. If the AGENT shall elect to exercise any of the rights hereunder, the United States Patent and Trademark Office shall have the right to rely upon the AGENT'S written statement of the AGENT'S rights hereunder and the BORROWER hereby irrevocably and unconditionally authorizes the United States Patent and Trademark Office to recognize such rights by the AGENT either in the BORROWER'S name or in the AGENT'S name without the necessity or obligation of the United States Patent and Trademark Office to ascertain the existence of any default by the BORROWER under the LOAN AGREEMENT.

Section 8. Costs And Expenses. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by the AGENT in connection with the preparation of this AGREEMENT and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the TRADEMARKS, or

in defending or prosecuting any actions or proceedings arising out of or related to the TRADEMARKS, shall be borne and paid by the BORROWER on demand by the AGENT and until so paid shall be added to the principal amount of the OBLIGATIONS and shall bear interest at the highest rate prescribed in the LOAN AGREEMENT.

Section 9. Notices. Notices that are required or permitted to be delivered hereunder shall be sufficient if in writing and sent to the addresses set forth in the LOAN AGREEMENT, in the manner and within the time specified in the LOAN AGREEMENT.

Section 10. No Further Lien Or Assignment. The BORROWER shall not grant any further lien or security interest in, nor shall the BORROWER assign, transfer or convey its interests in, the TRADEMARKS without the prior written consent of the AGENT.

Section 11. Further Assurances. The BORROWER shall execute any further or additional documents considered necessary, appropriate or proper by the AGENT to effectuate the purposes and intent of this AGREEMENT.

Section 12. Amendment. The terms and conditions of this AGREEMENT may be modified, altered, waived, or amended only by a writing executed by the AGENT consenting to the modification, alteration, waiver, or amendment.

Section 13. Choice Of Law. The laws of the State of Maryland (excluding, however, conflict of law principles) shall govern and be applied to determine all issues relating to this AGREEMENT and the rights and obligations of the parties hereto, including the validity, construction, interpretation, and enforceability of this AGREEMENT and its various provisions and the consequences and legal effect of all transactions and events which resulted in the execution of this AGREEMENT or which occurred or were to occur as a direct or indirect result of this AGREEMENT having been executed.

Section 14. Consent To Jurisdiction; Agreement As To Venue. The BORROWER irrevocably consents to the non-exclusive jurisdiction of the courts of the State of Maryland and of the United States District Court For The District Of Maryland, if a basis for federal jurisdiction exists. The BORROWER agrees that venue shall be proper in any circuit court of the State of Maryland selected by the AGENT or in the United States District Court For The District Of Maryland if a basis for federal jurisdiction exists and waives any right to object to the maintenance of a suit in any of the state or federal courts of the State of Maryland on the basis of improper venue or of inconvenience of forum.

Section 15. Severability. If any of the provisions of this AGREEMENT are judicially determined to be in conflict with any law of the State of Maryland or otherwise judicially determined to be

unenforceable for any reason whatsoever, such provision shall be deemed null and void to the extent of such unenforceability but shall be deemed separable from and shall not invalidate any other provision of this AGREEMENT.

Section 16. Successors And Assigns. The terms, covenants and conditions contained in this AGREEMENT shall inure to the benefit of the AGENT and the LENDERS and their respective successors and assigns, and shall be binding upon the BORROWER and its successors and assigns.

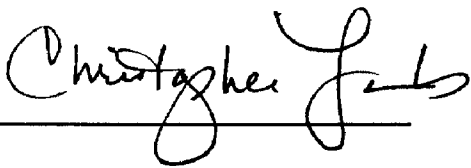
Section 17. Waiver Of Jury Trial. The BORROWER (by its execution hereof) and the AGENT (by its acceptance of this AGREEMENT) agree that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by any party hereto or any successor or assign of any party hereto, with respect to this AGREEMENT, the LOAN DOCUMENTS, or any other document or agreement which in any way relates, directly or indirectly, to this AGREEMENT, the LOAN DOCUMENTS, the OBLIGATIONS or any event, transaction or occurrence arising out of or in any way connected with this AGREEMENT, the LOAN DOCUMENTS, any of the OBLIGATIONS, or the dealings of the parties with respect thereto, shall be tried only by a court, and not by a jury. **THE BORROWER AND THE AGENT HEREBY EXPRESSLY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.** The BORROWER acknowledges and agrees that this provision is a specific and material aspect of the agreement between the parties hereto and that the AGENT would not enter into the subject transactions if this provision were not part of this AGREEMENT.

IN WITNESS WHEREOF, the BORROWER has executed this AGREEMENT as of the date first above written with the specific intention of creating an instrument under seal.


ATTEST:

BORROWER:

SPECIALTY FILAMENTS, INC.,
A Delaware Corporation



By:

 (SEAL)
Name: BRADLEY A. YOUNT
Title: PRESIDENT

ACKNOWLEDGMENT

STATE OF Maryland, CITY/COUNTY OF Anne Arundel, TO WIT:

I HEREBY CERTIFY that on this 22nd day of September, 1998, before me, the undersigned Notary Public of the jurisdiction aforesaid, personally appeared Bradley Youst, and acknowledged him self to be the President of SPECIALTY FILAMENTS, INC., a Delaware corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument in the capacity and for the purposes therein contained, by signing the name of SPECIALTY FILAMENTS, INC., by himself as President.

IN WITNESS MY Hand and Notarial Seal.

Kimberly Srednie (SEAL)
NOTARY PUBLIC

My Commission Expires:

3/1/01

EXHIBIT "A"

a. Federal Trademark/Service Mark Registrations

<u>Trademark</u>	<u>Country</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
Bristrand	United States	440,358	08/24/57
Shalon	United States	566,368	11/04/52
Nylex	United States	654,594	11/19/57
Pex	United States	654,596	11/19/57
Tri-Color	United States	658,173	02/11/58
Lon	United States	718,398	07/18/61
Plume	United States	766,938	03/24/64
Quill	United States	765,284	02/25/64
Lonex	United States	770,962	06/09/64
Nyle	United States	790,533	06/08/65
Tampyl	United States	792,763	07/20/65
Hollo	United States	810,583	06/28/66
Proex	United States	807,708	05/03/66
Prope	United States	807,709	05/03/66
Prosava	United States	838,148	11/07/67
Bristex	United States	2,132,656	07/27/98
Estrand	United States	1,381,411	02/04/86
Kilmarn	United States	1,381,412	02/04/86
Broomstrand	United States	1,381,410	02/04/86
Fine Line	United States	1,381,409	02/04/86
Propylite	United States	1,361,877	09/24/85
Tripuro	United States	1,415,879	11/04/86
Spiralbind	United States	1,589,942	04/03/90

Polystar-O	United States	808,263	5/17/66
RIPL Prostran	United States	765,698	3/3/64
Polymet-O	United States	1,471,401	1/5/88
Polypalm	United States	1,159,209	6/30/81
Polybass	United States	1,167,359	9/1/81
RIPL Prostran	United States	1,477,691	2/23/88
Calabro	United States	667,904	10/7/58
Durastran	United States	611,251	8/30/55
Plyer	United States	982,391	4/23/74
Polycorn (Stylized)	United States	936,884	7/4/72
Prostran	United States	703,717	9/6/60
Wytex	United States	916,957	7/27/71
Abralon	United States	1,918,007	09/12/95
Hahlon	United States	1,918,009	09/12/95
Hytex	Canada	348,096	11/18/88
Prostran	Canada	114,278	5/29/59
Polycorn	Canada	343,525	8/5/88
Plyer	Canada	346,687	10/14/88
Durastran	Canada	343,527	8/5/88
Polystar-O	Canada	143,588	1/21/66
Polybass	Canada	343,526	8/5/88
Polypalm	Canada	343,574	8/5/88
RIPL Prostran	Canada	133,817	12/13/63

b. Federal Trademark Applications Pending

<u>Trademark</u>	<u>Country</u>	<u>Serial No.</u>	<u>Filing Date</u>
Power Lite	United States	75/350,349	09/02/97
Dura-Palm	United States	75/512,493	07/02/98
Wave	United States	75/324,631	07/15/97