

03-15-1999



100981546  
REGISTRATION FORM COVER SHEET  
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

<b>Submission Type</b> 3-8-99		<b>Conveyance Type</b>	
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Resubmission (Non-Recordation) Document ID # <input type="text"/>	<input type="checkbox"/> Assignment	<input type="checkbox"/> License
<input type="checkbox"/> Correction of PTO Error Reel # <input type="text"/> Frame # <input type="text"/>	<input type="checkbox"/> Corrective Document Reel # <input type="text"/> Frame # <input type="text"/>	<input checked="" type="checkbox"/> Security Agreement	<input type="checkbox"/> Nunc Pro Tunc Assignment Effective Date Month Day Year <input type="text"/>
		<input type="checkbox"/> Merger	
		<input type="checkbox"/> Change of Name	
		<input type="checkbox"/> Other	<input type="text"/>

**Conveying Party**  Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

**Receiving Party**  Mark if additional names of receiving parties attached

Name

DBA/AK/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

Individual  General Partnership  Limited Partnership  If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

03/11/1999 JSHADAZZ 00000057 2168234

FOR OFFICE USE ONLY

715E

01 FC:481 40.00 DP  
02 FC:482 675.00 DP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 1867 FRAME: 0432

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages** Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2168234"/>	<input type="text" value="2168235"/>	<input type="text" value="2215283"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1892680"/>	<input type="text" value="2089546"/>	<input type="text" value="819581"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="819977"/>	<input type="text" value="913948"/>	<input type="text" value="940534"/>

**Number of Properties** Enter the total number of properties involved.

#

**Fee Amount** Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment: Enclosed  Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: #

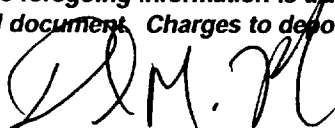
Authorization to charge additional fees: Yes  No

**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. Charges to deposit account are authorized, as indicated herein.

David M. Klein

Name of Person Signing



Signature

3/4/99

Date Signed

**RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY**

FORM PTO-1618C  
Expires 06/30/99  
OMB 0651-0027

U.S. Department of Commerce  
Patent and Trademark Office  
**TRADEMARK**

**Conveying Party**

Enter Additional Conveying Party

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**Registration Number(s)**

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<input type="text" value="1290129"/>	<input type="text" value="1363456"/>	<input type="text" value="1391633"/>
<input type="text" value="1882270"/>	<input type="text" value="1895109"/>	<input type="text" value="1904842"/>
<input type="text" value="2041169"/>	<input type="text" value="2039490"/>	<input type="text" value="1922077"/>
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Registration Number(s)

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# INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (as may be amended, supplemented or otherwise modified from time to time, the "IP Security Agreement") dated February 12, 1999, is made by the Persons listed on the signature pages hereof (collectively, the "Grantors") in favor of BANQUE NATIONALE DE PARIS ("BNP"), as agent (the "Agent") for the Secured Parties (as defined in the Third Amended and Restated Credit Agreement referred to below).

WHEREAS, Glenoit Corporation, Inc., a Delaware corporation, has entered into a Third Amended and Restated Credit Agreement dated as of February 12, 1999 (as may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), with Fleet National Bank as syndication agent, LaSalle National Bank as documentation agent and BNP, as Agent and Arranger, and the Lender Parties party thereto. Capitalized terms used herein and not otherwise defined are used herein as defined in the Credit Agreement.

WHEREAS, as a condition precedent to the making of Advances and the issuance of Letters of Credit by the Lender Parties under the Credit Agreement each Grantor shall have executed that certain Third Amended and Restated Security Agreement by and among the Grantors and the Agent dated as of February 12, 1999 (as may be amended, supplemented or otherwise modified from time to time, the "Security Agreement").

WHEREAS, under the terms of the Third Amended and Restated Security Agreement, Grantors have granted a security interest in certain intellectual property of Grantors to the Agent for the ratable benefit of the Secured Parties, and have agreed as a condition thereof to execute this IP Security Agreement for recording with the U.S. Patent and Trademark Office, the United States Copyright Office, and other governmental entities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors agree as follows:

SECTION 1. Grant of Security. Each Grantor hereby grants to the Agent for the ratable benefit of the Secured Parties a security interest in and to all of such Grantor's right, title and interest in and to the following (the "Collateral"):

- (i) The United States, international, and foreign patents, patent applications, and patent licenses set forth on Exhibit A hereto including reissues, divisions, continuations, continuations-in-part, extensions and reexaminations thereof, and all rights therein provided by international treaties or conventions (the "Patents");

(ii) The United States and foreign trademark and service mark registrations, applications, and licenses set forth on Exhibit B hereto (the "Trademarks");

(iii) The United States and foreign copyright registrations, and copyright licenses set forth on Exhibit C hereto (the "Copyrights");

(iv) any and all causes of action for past, present and future infringement or breach of the Patents, Trademarks and Copyrights, with the right, but not the obligation to sue for and collect, or otherwise recover, damages for such infringement or breach; and

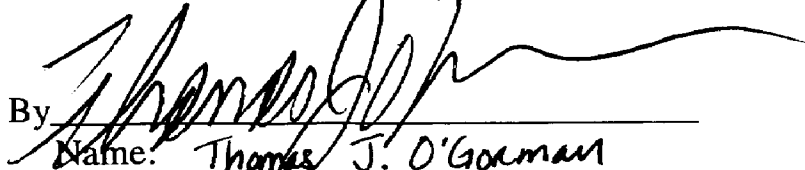
(v) any and all proceeds of the foregoing.

SECTION 2. Recordation. Each Grantor authorizes and requests that the Register of Copyrights, the Commissioner of Patents and Trademarks and any other applicable government officer record this IP Security Agreement.

SECTION 3. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

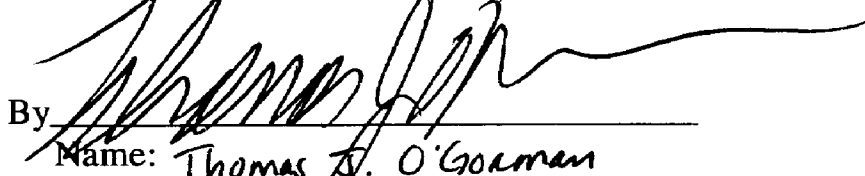
SECTION 4. Conflict Provision. This IP Security Agreement has been entered into in conjunction with the provisions of the Security Agreement and the Credit Agreement. The rights and remedies of each party hereto with respect to the security interest granted herein are without prejudice to, and are in addition to those set forth in the Security Agreement and the Credit Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this IP Security Agreement are in conflict with the Third Amended and Restated Security Agreement or the Third Amended and Restated Credit Agreement, the provisions of the Third Amended and Restated Security Agreement or the Third Amended and Restated Credit Agreement shall govern.

AMERICAN PACIFIC ENTERPRISES, INC.

By   
Name: Thomas J. O'Gorman  
Title: Vice President

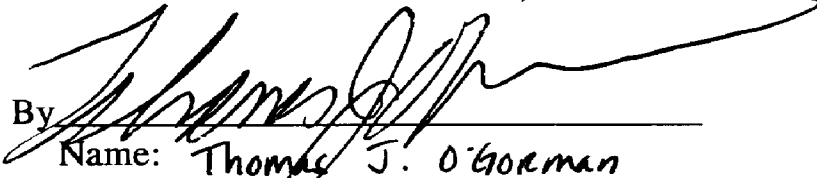
Address: 111 West 40th Street  
New York, NY 10018

EX-CELL HOME FASHIONS, INC.

By   
Name: Thomas J. O'Gorman  
Title: Vice President

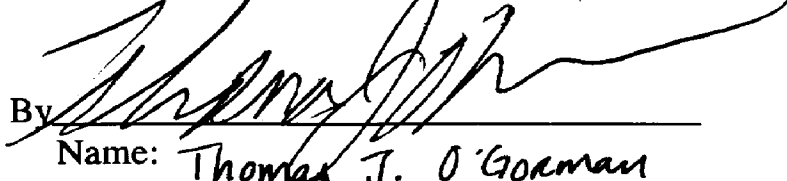
Address:

EX-CELL OF BENTONVILLE, INC.

By   
Name: Thomas J. O'Gorman  
Title: Vice President

Address:

EX-CELL LINDE OF CAROLINA, INC.

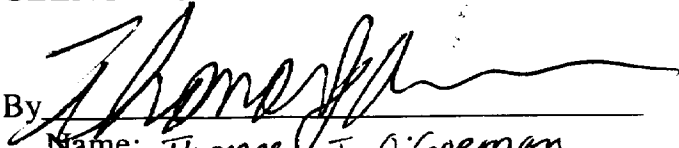
By   
Name: Thomas J. O'Gorman  
Title: Vice President

Address:



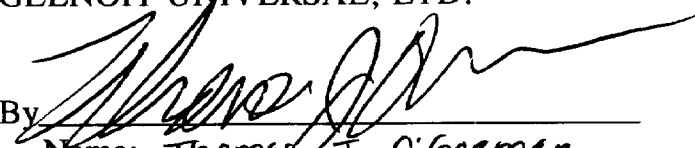
IN WITNESS WHEREOF, each Grantor has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

GLENOIT CORPORATION

By   
Name: *Thomas J. O'Goeman*  
Title: *President*

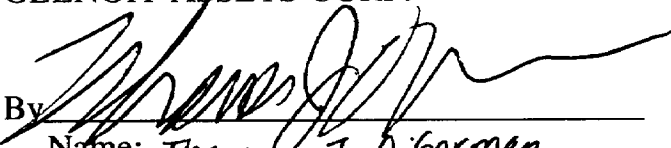
Address: 111 West 40th Street  
New York, NY 10018

GLENOIT UNIVERSAL, LTD.

By   
Name: *Thomas J. O'Goeman*  
Title: *President*

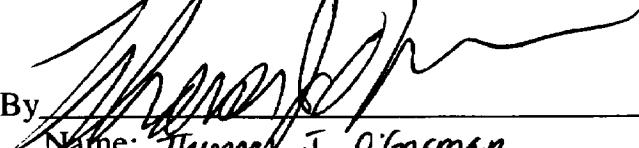
Address: 111 West 40th Street  
New York, NY 10018

GLENOIT ASSETS CORP.

By   
Name: *Thomas J. O'Goeman*  
Title: *President*

Address: 111 West 40th Street  
New York, NY 10018

GRAND AVENUE CORP.

By   
Name: *Thomas J. O'Goeman*  
Title: *President*

Address: 111 West 40th Street  
New York, NY 10018

**Intellectual Property Security Agreement  
Exhibit B**

**TRADEMARKS**

U.S. Trademark Registrations of Glenoit Corporation  
(by merger of Glenoit Mills Inc. into Glenoit Corporation)

Registration No.	Trademark	Registration Date	Renewal Date
2168234	FURELLE	06/23/98	06/23/08
2168235	GLENPILE	06/23/98	06/23/08
2215283	GLENKOIR	12/29/98	12/29/08

U.S. Trademark Registrations of Glenoit Assets Corp.

Registration No.	Trademark	Registration Date	Renewal Date
638,113	GLENOIT	12/04/56	12/04/96
647,158	GLENARA	06/18/57	06/18/97
658,105	HAREM	02/04/58	02/04/98
1,892,680	GLENAURA	05/02/95	05/02/05
2,089,546	BERBER BY GLENOIT	08/19/97	08/19/07

**Intellectual Property Security Agreement  
Exhibit B**

U.S. Trademark Registrations of Borg Textile Corp.  
(assigned to Glenoit Mills, Inc. on 9/6/95)  
(further assigned to Glenoit Assets Corp. on 9/6/95)

Registration No.	Trademark	Registration Date	Renewal Date
630,125	BORGLURA	07/03/56	07/03/1996
819,581	BORGLO	11/29/66	11/29/2006
819,977	BORGAZIA	12/06/66	12/06/2006
913,948	BORG	06/08/1971	06/08/2001
940,534	BORGAZIA	08/08/72	08/08/2012
952,064	BORG	01/30/73	01/30/2013
1,084,847	ULTRABORG	02/07/78	02/07/1998
1,101,537	BORGESSA	09/05/78	09/05/1998
1,103,076	COMFORTAIR	09/26/78	09/26/1998
1,290,129	BORGLASKA	08/14/84	08/14/2004
1,363,456	GOOD NIGHT SHEEP	10/01/85	10/01/2005
1,391,633	BORGLITE II	04/29/86	04/29/2006
1,882,270	ZENDURA	03/07/95	03/07/2015

Foreign Trademark Registrations of Glenoit Assets Corp.

Country	Registration No.	Trademark	Registration Date
Canada	120,663	GLENOIT	12/30/60
France	1,468,142	GLENOIT	06/19/78
Italy	4812-23065C/88-539162	GLENOIT	06/19/68
U.K.	818,586 818,591 818,592	GLENOIT GLENOIT GLENOIT	03/22/96 03/22/96 03/22/96

**Intellectual Property Security Agreement  
Exhibit B**

Country	Registration No.	Trademark	Renewal Date	Goods
U.K.	B963,384 963,385 961,361 961,362 888,846 889,703	BORGALASKAN BORGANA BORGAZIA BORGAZIA BORGLASKA BORG	08/04/2005 08/04/2005 06/22/2005 06/22/2005 01/04/2001 01/24/2001	Clothing Clothing Fabrics Clothing Fabrics Fabrics
Venezuela	66,883-F	BORG	10/29/2001	Clothing
West Germany	832,354 904,440 924,467 929,291 873,536	BORG BORG BORGANA BORGANA BORGAZIA	09/07/1995 08/13/2000 08/13/2000 09/07/1995 09/04/1999	Clothing Clothing Clothing Fabrics Pile fabrics and clothing
Yugoslavia	29,267	BORG	08/23/1996	Pile fabrics and clothing

U.S. Trademark Registrations of American Pacific Enterprises, Inc.

Registration No.	Trademark	Registration Date	Renewal Date
1895109	AMERICAN PACIFIC	05/23/1995	05/23/2005
1904842	TUCKER LANE	07/21/1995	07/21/2005
2041169	HAWTHORNE HILL and Design	02/25/1997	02/25/2007
2039490	GENTLE MOON	02/18/1997	02/18/2007
1922077	COUNTRY CLASSICS	09/26/1995	09/26/2005

**Intellectual Property Security Agreement  
Exhibit B**

Foreign Trademark Registrations of American Pacific Enterprises, Inc.

Country	Registration No.	Trademark	Registration Date
Japan	3206465	AMERICAN PACIFIC ENTERPRISES	10/31/1996

Canadian Trademark Registrations of Glenoit Corporation of Canada

Country	Trademark	Registration Number	Registration Date	Renewal Date
Canada	SHERPA	123,328	8/25/61 (Renewed 8/25/91)	8/25/06
Canada	BORG DESIGN	318,661	9/19/86	9/19/01
Canada	BORG DESIGN	188,744	2/23/73 (Renewed 2/23/88)	2/23/03
Canada	BORG	184,795	8/11/72 (Renewed 8/11/87)	8/11/02
Canada	THERMOPILE	020,606	1/29/45 (Renewed 1/29/90)	1/29/05

U.S. Trademark Registrations of Ex-Cell Home Fashions, Inc.

Trademark	Registration Number	Registration Date	Renewal Date
EASY-ON	1,361,875	7/16/85	7/16/05
EASY-LIFE	1,329,668	4/9/85	4/9/05
SINK SKIRT in Design	1,376,711	12/31/85	12/31/05
BY APPOINTMENT (Stylized)	1,390,807	4/22/96	4/22/06
VOGUE PILLOW	1,988,868	7/23/86	7/23/06
SET TO GO	1,733,077	11/17/92	11/17/02
MAGIC VALENCE	2,181,284	8/11/98	8/11/08