

05-12-2003

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Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings

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S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):

- 1) Fieldcrest Cannon Licensing, Inc.
2) The Leshner Corporation
3) Pillowtex Corporation
Individual(s) Association
General Partnership Limited Partnership
Corporation-State
Other 1) Delaware; 2) Ohio; 3) Delaware

5-12-03

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

2. Name and address of receiving party(ies)

Name: Bank of America, N.A.
Internal Address: 66th Floor

Street Address: 901 Main Street
City: Dallas State: TX Zip: 75202

- Individual(s) citizenship
Association National Banking Association
General Partnership
Limited Partnership
Corporation-State
Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
Security Agreement Change of Name
Other Corrective Document to Reel/Frame: 002521/0001

Execution Date: July 30, 2002

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,235,293; 2,332,392

Additional number(s) attached Yes No

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

Name: James J. Murphy

Internal Address:

Winstead Sechrest & Minick P.C.

Street Address: P.O. Box 50784

1201 Main Street

City: Dallas State: TX Zip: 75250-0784

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 3.41) \$ 65.00

- Enclosed
Authorized to be charged to deposit account

8. Deposit account number:

23-2426

RECEIVED 09/8
2003 MAY 12 PM 12:02
ASSIGNMENTS DIV

05/12/2003
01 FC:8521
02 FC:8522

00000165 2235293

DO NOT USE THIS SPACE

9. Signature.

40.00 OP
25.00 OP

James J. Murphy
Name of Person Signing

James J. Murphy
Signature

May 8, 2003

Date

62

Total number of pages including cover sheet, attachments, and document:

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK
REEL: 002729 FRAME: 0914

FIRST AMENDMENT TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS FIRST AMENDMENT TO INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Amendment") is entered into as of July 30, 2002, among each of the signatories party hereto (each a "Grantor", collectively, the "Grantors"), and Bank of America, N.A., as Administrative Agent for itself and the other Lenders (as defined in the Term Loan Agreement which is defined below) (in such capacity, the "Administrative Agent"; together with the Lenders, the "Secured Parties").

BACKGROUND

A. The Grantors and the Secured Parties are parties to that certain Term Loan Agreement dated as of May 24, 2002 (as the same has been and may be amended, modified, supplemented, or restated from time to time, the "Term Loan Agreement"). Capitalized terms used herein and not otherwise defined shall be used herein as defined in the Term Loan Agreement.

B. In connection with the Term Loan Agreement, the Grantors and the Administrative Agent executed that certain Intellectual Property Security Agreement dated as of May 24, 2002 (as the same may be amended, modified, supplemented, or restated from time to time, the "IP Security Agreement").

C. The Grantors have requested an amendment to Annex B-1 of the IP Security Agreement to (i) add U.S. Trademark Registration No. 748, 703, (ii) correctly identify the owner of U.S. Trademark Registration Nos. 1,931,681 and 1,994,149, and (iii) correct the registration numbers for U.S. Trademark Registration Nos. 2,354,518, 2,332,392 and 2,235,293 and the Administrative Agent has agreed to such amendment, subject to the terms and conditions contained herein.

D. Contemporaneously with the execution and delivery of this Amendment, the Grantors and the Secured Parties are entering into a letter agreement (the "Letter Agreement") that, among other things, amends Annex A.1 to Schedule 7.21 to the Term Loan Agreement in the same manner that Annex B-1 to the IP Security Agreement is amended by this Amendment.

NOW, THEREFORE, in consideration of the covenants, conditions and agreements hereafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are all hereby acknowledged, the parties hereto covenant and agree as follows:

1. AMENDMENT TO THE IP SECURITY AGREEMENT. The IP Security Agreement is hereby amended as follows:

(a) Amendment to Annex B-1 to the IP Security Agreement. Effective as of the date hereof, all references in the IP Security Agreement to "Annex B-1" shall be deemed to refer to the "Annex B-1" attached hereto as Annex B-1.

2. REPRESENTATIONS AND WARRANTIES; NO DEFAULT; RATIFICATIONS. By its execution and delivery hereof, each Grantor represents and warrants to the Administrative Agent that, as of the date hereof:

(a) After giving effect to this Amendment and the Letter Agreement, the representations and warranties contained in the IP Security Agreement and the other Loan Documents are true and correct in all material respects on and as of the date hereof as made on and as of such date, except for any representations and warranties made as of a specific date, which shall be true and correct or shall have been true, as applicable, in all material respects as of such specific date; and

(b) After giving effect to this Amendment and the Letter Agreement, no event has occurred and is continuing which constitutes a Default, and no event or condition shall have occurred that with the giving of notice or lapse of time or both would be a Default or Event of Default after giving effect to this Amendment.

3. EFFECT OF AMENDMENT. Except as expressly modified and superceded by this Amendment and the Letter Agreement, the terms and provisions of the IP Security Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. The IP Security Agreement as amended hereby and the other Loan Documents shall continue to be legal, valid, binding and enforceable in accordance with their respective terms.

4. CONDITIONS OF EFFECTIVENESS. This Amendment shall not be effective until each of the following conditions precedent shall have been satisfied:

(a) The Administrative Agent shall have received all of the following, each dated (unless otherwise indicated) the date of this Amendment, in form and substance reasonably satisfactory to the Administrative Agent:

(i) This Amendment executed by the Grantors and the Administrative Agent; and

(ii) Such other documents as the Administrative Agent may reasonably request.

5. SURVIVAL OF REPRESENTATIONS AND WARRANTIES. All representations and warranties made in this Amendment or any other Loan Document, including any Loan Document furnished in connection with this Amendment, shall survive the execution and delivery of this Amendment and the other Loan Documents, and no investigation by the Lenders or the Administrative Agent or any closing shall affect the representations and warranties or the right of the Lenders or the Administrative Agent to rely upon them.

6. REFERENCE TO IP SECURITY AGREEMENT. Upon the effectiveness of this Amendment, each reference in the IP Security Agreement to "this Agreement," "hereunder," or

words of like import shall mean and be a reference to the IP Security Agreement, as affected and amended by this Amendment.

7. COUNTERPARTS; EXECUTION VIA FACSIMILE. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Amendment may be validly executed and delivered by facsimile or other electronic transmission.

8. GOVERNING LAW; BINDING EFFECT. This Amendment shall be governed by and construed in accordance with the laws of the State of Texas and shall be binding upon each Grantor, the Administrative Agent, and their respective successors and assigns.

9. SEVERABILITY. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or enforceable.

10. SUCCESSORS AND ASSIGNS. This Amendment is binding upon and shall inure to the benefit of the Lenders, the Administrative Agent and the Grantors and their respective successors and assigns, except no Grantor may assign or transfer any of its rights or obligations hereunder without prior written consent of the Administrative Agent and all of the Lenders.

11. HEADINGS. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

12. LOAN DOCUMENT. This Amendment is a Loan Document and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Term Loan Agreement.

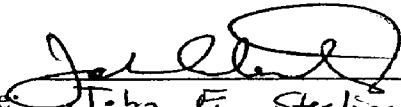
13. NO ORAL AGREEMENTS. THIS WRITTEN AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers all as of the date first above written.

GRANTORS:

PILLOWTEX CORPORATION
PTEX, INC.
PILLOWTEX MANAGEMENT
SERVICES COMPANY
BEACON MANUFACTURING
COMPANY
FC ONLINE, INC.
TENNESSEE WOOLEN MILLS, INC.
FIELDCREST CANNON, INC.
ENCEE, INC.
FCC CANADA, INC.
FIELDCREST CANNON LICENSING,
INC.
FCI CORPORATE LLC
FIELDCREST CANNON
TRANSPORTATION, INC.
FCI OPERATIONS LLC
THE LESHNER CORPORATION
OPELIKA INDUSTRIES, INC.
PILLOWTEX CANADA INC.

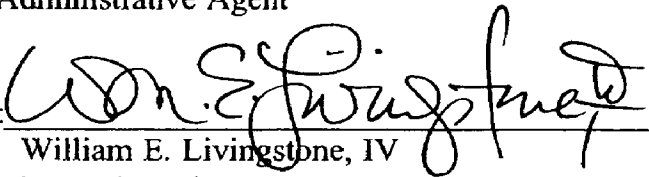
By: 
Name: John F. Sterling
Title: Vice President

PTEX HOLDING COMPANY
FIELDCREST CANNON FINANCING,
INC.

By: 
Name: Carroll L. Jones
Title: Vice President

ADMINISTRATIVE AGENT:

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

By: 
William E. Livingstone, IV
Managing Director