

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

**1. Name of conveying party(ies)/Execution Date(s):**

Heads & Threads International LLC

- Individual(s)
- General Partnership
- Corporation-State
- Other Limited Liability Company

Citizenship (see guidelines) Delaware

Execution Date(s) 12/31/2004

Additional names of conveying parties attached?  Yes  No

**3. Nature of conveyance:**

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

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

Additional names, addresses, or citizenship attached?  Yes  No

Name: JPMorgan Chase Bank, NA

Internal

Address: Rudolf Bentlage

Street Address: 50 South Main St.

City: Akron

State: Ohio

Country: USA Zip: 44308

- Association Citizenship USA
- General Partnership Citizenship
- Limited Partnership Citizenship
- Corporation Citizenship
- Other Citizenship

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)

**4. Application number(s) or registration number(s) and identification or description of the Trademark.**

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

797,691 HEADS AND THREADS

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: James R. Mix

Internal Address: Jones Day

Street Address: 901 Lakeside Avenue

City: Cleveland

State: OH Zip: 44114

Phone Number: 216-586-3939

Fax Number: 216-579-0212

Email Address: jrmix@jonesday.com

**6. Total number of applications and registrations involved:**

1

**7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 40.00**

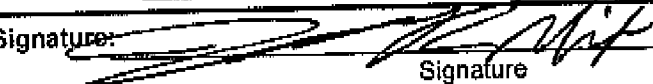
- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

**8. Payment Information:**

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number 50-1432  
Authorized User Name James R. Mix

**9. Signature:**



Signature

1/27/2005

Date

James R. Mix (int. ref. 080461-070-003)

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 1

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

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**EXECUTION VERSION**

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**TRADEMARK SECURITY AGREEMENT**

**dated as of**

**December 31, 2004,**

**by and between**

**HEADS & THREAD INTERNATIONAL LLC  
(F/K/A HTI ACQUISITION LLC),**

**as the Borrower**

**and**

**JPMORGAN CHASE BANK, N.A.,**

**as Secured Party**

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## TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "*Agreement*"), dated as of December 31, 2004 is made by and among HEADS & THREADS INTERNATIONAL LLC (f/k/a/ HTI ACQUISITION LLC), a Delaware limited liability company (the "*Borrower*"), and JPMORGAN CHASE BANK, N.A., a national banking association, (herein in such capacity, together with its successors and permitted assigns, the "*Secured Party*").

WHEREAS, the Borrower has entered into the Credit Agreement, dated as of December 31, 2004, among the Borrower, the persons named therein as Loan Parties, the financial institutions named therein as Lenders, and the Secured Party, as Agent (herein, as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), providing, subject to the terms and conditions thereof, for certain Loans to be made available by the Lenders to the Borrower from time to time.

WHEREAS, to induce the Secured Party and the Lenders to enter into the Credit Agreement with the Borrower and to make Loans and other credit facilities available thereunder, the Borrower has agreed to execute and deliver this Agreement and to grant a security interest in the Collateral (as hereinafter defined) as security for (i) any and all obligations of the Loan Parties in respect of the Loans and other credit facilities made available under the Credit Agreement and the other Loan Documents, and any other note or notes from time to time evidencing such Loans and (ii) any and all other amounts from time to time payable by the Loan Parties to the Lenders or the Secured Party under the Credit Agreement, the Security Documents (including this Agreement), the Notes or the other Loan Documents (the obligations described in clauses (i) and (ii) being herein collectively referred to as the "*Secured Obligations*").

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce the Lenders to make Loans and other credit facilities available to the Borrower pursuant to the Credit Agreement, the parties hereto hereby agree as follows:

1. **Certain Definitions.** Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement or the Security Agreement (as defined in the Credit Agreement).

2. **Grant of Security Interest.** As security for the prompt payment and performance of the Secured Obligations, the Borrower hereby grants to the Secured Party, for the ratable benefit of the Lenders and other holders of the Secured Obligations, a security interest in, a general lien upon and/or a right of set-off against (whether now or hereafter owned by the Borrower and whether acquired in the United States or elsewhere in the world) all right, title and interest of the Borrower in and to the following (hereafter collectively called the "*Collateral*"):

a. Trademarks

i. all trademarks, trade names and service marks registered with the United States Patent and Trademark Office (including, without limitation, those listed on Schedule A to this Agreement);

ii. all applications for the registration of trademarks, trade names and service marks filed with the United States Patent and Trademark Office (including, without limitation, those listed on Schedule A to this Agreement; provided that no security interest shall be granted in United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law);

iii. all trademarks, trade names and service marks registered with any office, agency or other governmental authority of any State, the District of Columbia or any possession or territory of the United States;

iv. all trademarks, trade names and service marks registered with any office, agency or other governmental authority of any other country or any province, department or other governmental subdivision thereof;

v. all registrations and recordings with respect to any of the foregoing;

vi. all reissues, extensions and renewals of any of the foregoing;

vii. all corporate names, business names, trade styles, logos, other source or business identifiers; all information, customer lists, identification of supplier, data, plans, blueprints, specifications, designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials standards, processing standards, performance standards, catalogs, computer and automatic machinery software and programs, and the like pertaining to operations by the Borrower in, on or about any of its plants or warehouses; all field repair data, sales data and other information relating to sales or service of products now or hereafter manufactured on or about any of its plants; and all accounting information pertaining to operations in, on or about any of its plants and all media in which or on which all of the information or knowledge or data or records relating to its plants and warehouses may be recorded or stored and all computer programs used for the compilation or printout of such information, knowledge, records or data, and the Secured Party shall keep all such information, knowledge, records or data strictly confidential and limit dissemination thereof solely among its officers and its designees, auditors and regulatory authorities (on an "as necessary" basis);

viii. all licenses and other agreements relating in whole or in part to any of the foregoing, including all rights to payments in respect thereof;

ix. all rights to sue for past, present or future infringements of any of the foregoing;

x. all goodwill related to any of the foregoing;

xi. to the extent not included above, all general intangibles (as such terms is defined in the Uniform Commercial Code of the State of Illinois) of the Borrower related to the foregoing; and

xii. all proceeds of any and all of the foregoing;

whether now existing or hereafter created or acquired, as to all items listed in paragraph 1.a.i-xii above.

**3. Grant of License to Use Intangibles.** For the purpose of enabling the Secured Party to exercise rights and remedies under the Security Agreement at such time as the Secured Party, without regard to this Section 3, shall be lawfully entitled to exercise such rights and remedies and for no other purpose, the Borrower hereby grants to the Secured Party an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Borrower) to use, assign, license or sublicense, to the extent the Borrower has sublicensable rights under a license or sublicense, any of the Collateral, whether now owned or hereafter acquired by the Borrower, and wherever the same may be located, including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof; *provided, however*, that the foregoing shall not apply to any of the Borrower's rights in the Collateral that are (i) prohibited from being so licensed from applicable pre-existing contractual obligations (until such time as any such obligations terminate), (ii) not wholly owned by the Borrower (and not by any third parties) or (iii) prohibited by law from being so licensed (until such time as such law is rescinded or repealed).

**4. Notices.** All notices or other communications hereunder shall be given in the form, manner and delivered to the addresses determined under Section 13.1 of the Credit Agreement.

**5. Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

**6. No Waiver; Cumulative Remedies.** The Secured Party shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by the Secured Party, and then only to the extent therein set forth. A waiver by the Secured Party or any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Secured Party would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Secured Party any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.

7. **Waivers; Amendments.** None of the terms and provisions of this Agreement may be waived, altered, modified or amended except by an instrument in writing executed by the parties hereto.

8. **Limitations by Law.** All rights, remedies and powers provided by the Security Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law, and all such provisions of the Security Agreement are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Agreement invalid, unenforceable in whole or in part, or not entitled to be recorded, registered or filed under the provision of any applicable law.

9. **Successors and Assigns.** This Agreement shall be binding upon the Borrower and the Secured Party and their respective successors and permitted assigns and shall inure to the benefit of the Borrower, the Secured Party and the Lenders and their respective successors and permitted assigns, and nothing herein or in the Credit Agreement or any other Loan Document is intended or shall be construed to give any other person any right, remedy or claim under, to or in respect of this Agreement, the Credit Agreement or any other Security Document or Loan Document.

10. **Termination.** The Secured Party agrees that upon the termination or expiration of the Credit Agreement and the Security Documents and the payment in full of all the Secured Obligations (other than contingent indemnity obligations), the Secured Party will, if there are no remaining Commitments, LC Obligations or Acceptance Obligations outstanding which have not been cash collateralized, upon the request and at the expense of the Borrower, execute all such documents as may be reasonably requested by the Borrower to release the security interests created hereby.

11. **Reference to Separate Security Agreement.** This Agreement has been entered into by the Borrower and the Secured Party primarily for recording purposes as contemplated by the Security Agreement, dated as of the date hereof, between the Borrower, as debtor, and the Secured Party, as secured party for the benefit of the Lenders and other holders of Secured Obligations (as defined therein), the terms and provisions of which are incorporated herein by reference as if fully set forth herein. In the event of any inconsistency between any of the terms or provisions hereof and the terms and provisions of such Security Agreement, the terms and provisions of such Security Agreement shall govern.

12. **Applicable Law.** This Agreement shall be governed by, and be construed and interpreted in accordance with the internal substantive laws and not the law of conflicts of the State of Illinois, but giving effect to federal laws applicable to national banks.

13. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which collectively shall be one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile shall be equally effective as delivery of a manually executed counterpart of this Agreement.

14. **Jury Trial Waiver. THE BORROWER AND THE SECURED PARTY EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN THE SECURED PARTY AND THE BORROWER ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED THERETO.**

*[Signatures on Following Page]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be  
uted and delivered by their duly authorized officers as of the date first set forth above.

**HEADS & THREADS INTERNATIONAL LLC**  
**(f/k/a HTI ACQUISITION LLC),**  
as the Borrower

By:   
Name: Brian D. Fitzgerald  
Title: Chairman

**JPMORGAN CHASE BANK, N.A.,**  
as Secured Party

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

**HEADS & THREADS INTERNATIONAL LLC**  
**(f/k/a HTI ACQUISITION LLC),**  
as the Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**JPMORGAN CHASE BANK, N.A.,**  
as Secured Party

By: *Kurt G. Bentlage*  
Name: KURT G. BENTLAGE  
Title: V.P.

**Schedule A**  
**to**  
**Trademark Security Agreement**

**I. TRADEMARKS, TRADE NAMES, SERVICE MARKS, ETC.**

<u>Holder</u>	<u>Trademark or Application</u>	<u>Country</u>	<u>Registration or Application No.</u>	<u>Registration or Application Date</u>
HTI Holding LLC	N/A	N/A	N/A	N/A
HTI Acquisition LLC	N/A	N/A	N/A	N/A
Heads & Threads International LLC	HEADS AND THREADS	U.S.	797,691	10/19/65