

COLLATERAL ASSIGNMENT OF LEASES

THIS COLLATERAL ASSIGNMENT OF LEASES made and delivered this
16th day of March, 1976, by STANDARD TEXTILE MILLS, INC.,
a North Carolina corporation-----

having its principal place of business at 685 Parker Street, Manchester, Connecticut 06040 (hereinafter called the "Assignor"), to AETNA BUSINESS CREDIT, INC., a New York corporation having its principal place of business at 111 Founders Plaza, Suite 1200, East Hartford, Connecticut 06108 (hereinafter called the "Assignee"):

W I T N E S S E T H :

The Assignor, in consideration of the sum of TEN DOLLARS (\$10.00) cash, in hand paid, and other good and valuable consideration paid by the Assignee, the receipt and sufficiency of which are hereby acknowledged, does hereby ASSIGN unto the Assignee, its successors and assigns, the following:

A. All right, title and interest of the Assignor in, to and under the lease agreements, operating agreements, and other instruments which cover or affect portions of the land described in Schedule "A" attached hereto and made a part hereof, or the improvements thereon (hereinafter called the "Land"); together with all modifications, renewals and extensions of such lease agreements, operating agreements, and other instruments and all other present or future oral or written lease agreements and operating agreements that may be entered into by the Assignor which cover a portion of such land or the improvements thereon (such lease agreements, operating agreements, other instruments, renewals and extensions being hereinafter called the "Leases"); and

B. All rents, income and other benefits to which the Assignor may now or hereafter be entitled under the terms of the Leases.

Specifically, but in no way limiting the generality of the foregoing, the Assignor hereby assigns unto the Assignee all right, title and interest and all rents, income and other benefits in, to and under the lease agreement referred to in Schedule "C" attached hereto and made a part hereof.

This Collateral Assignment of Leases is made by the Assignor as additional security for the payment and satisfaction of the following obligations of the Assignor: (a) one certain Mortgage Note dated July 31, 1975 in the principal amount of One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000) made by Allen Knitting Mills, Inc. (Del.), Allen Knitting Mills, Inc. (N.Y.) and by Assignor, and payable to the order of the Assignee, with interest at the rate or rates therein provided, both principal and interest being payable as therein provided, and all amounts remaining unpaid thereon being finally due and payable August 1, 1985, and all other notes given in substitution therefor or in renewal or extension thereof, in whole or in part (such Mortgage Note and all other notes given in substitution therefor or in renewal or extension thereof, in whole or in part, being hereinafter called the "Note"); (b) all indebtedness incurred or arising pursuant to the provisions of a Mortgage and Security Agreement of even date herewith covering the Land (hereinafter called the "Prime Mortgage"); (c) all indebtedness incurred or arising pursuant to the provisions of a Mortgage and Security Agreement of even date herewith covering the land and any improvements located