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of this Trust Indenture, any machinery or other equipment, furniture or fixtures, irrespective of its value at the time, upon replacing the same with new or improved machinery or equipment, furniture or fixtures, of an equal or greater value and neither such release by the Trustee nor such consent by Pilot Life Insurance Company shall be unreasonably withheld at any time.

Whenever provision is made herein for the release by the Trustee of any portion of the property covered by this Trust Indenture the Trustee, under the terms and conditions set forth in such provision, shall have the power and authority to execute and deliver to the Company such instrument in writing as may be necessary to effectuate such release; and as to any third party or parties thereafter dealing with or interested in any property so released, any such release properly executed by the Trustee shall be conclusive evidence of the authority of the Trustee to execute the same.

ARTICLE IV

GENERAL WARRANTIES OF THE COMPANY

The Company warrants that:

(a) The Company is the holder and owner of all of the issued and outstanding capital stock of Belrug Mills of California, a corporation organized and existing under the laws of the State of California, Belrug Mills of Texas, a corporation organized and existing under the laws of the State of Texas, Wunda Karpet, Incorporated, a corporation organized and existing under the laws of the State of Illinois, Wunda-Weve Carpet Co., Inc., a corporation organized and existing under the laws of the State of New York which Companies are hereinafter referred to as its "subsidiaries";

(b) There has been no material or adverse change in the assets or liabilities, or in the condition, financial or otherwise, of the Company from that set forth in the balance sheet of the Company as at May 31, 1953, prepared and certified by J. Harlon Riggins & Company, Certified Public Accountants;