

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Release of Security Interest

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
American Capital Financial Services, Inc.		03/17/2006	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	U.S. Netting, Inc.
Street Address:	601 Industrial Drive
City:	Middletown
State/Country:	DELAWARE
Postal Code:	19709
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 8

Property Type	Number	Word Mark
Registration Number:	1370201	DURONET
Registration Number:	1394059	FLEX-GUARD
Registration Number:	2685561	HAIL GUARD
Registration Number:	789254	NALTEX
Registration Number:	1394058	TEXLINER
Registration Number:	1390783	SPIRO-TEX
Registration Number:	1383814	SOFTLINER
Registration Number:	2231333	SHUR-GRIP

CORRESPONDENCE DATA

Fax Number: (212)836-8026
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 212-836-7319
 Email: psomelofske@kayescholer.com
 Correspondent Name: Paul J. Somelofske c/o Kaye Scholer LLP

CH \$215.00 1370201

Address Line 1: 425 Park Avenue
Address Line 2: 14-B
Address Line 4: New York, NEW YORK 10022-3598

NAME OF SUBMITTER:	Paul J. Somelofske
Signature:	/Paul J. Somelofske/
Date:	03/22/2006

Total Attachments: 4
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RELEASE OF TRADEMARKS

BY SECURED PARTY

March 17, 2006

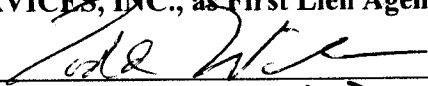
Whereby **AMERICAN CAPITAL FINANCIAL SERVICES, INC.**, as Agent ("First Lien Agent") under that certain Credit Agreement dated as of December 2, 2005 (as amended, restated, supplemented or otherwise modified from time to time in accordance with its terms, the "Credit Agreement"; capitalized terms used herein and not otherwise defined herein shall have the meanings specified in the Credit Agreement) by and among DelStar, Inc. ("Parent"), DelStar Holding Corp. ("Holding") and DelStar Technologies, Inc. (the "Borrower" and, together with Parent, Holding and the Subsidiary Guarantors, collectively, the "Loan Parties"), the lenders party thereto (the "Lenders") and First Lien Agent, for the benefit of the Lenders has a security interest in and has taken a collateral assignment of the trademarks listed on Schedule 1 attached hereto (the "Trademarks"). Effective as of the date hereof, the First Lien Agent and the Lenders have assigned all of their rights and obligations under the Credit Agreement. Therefore, **AMERICAN CAPITAL FINANCIAL SERVICES, INC., as First Lien Agent**, and the Lenders, have no further interest in the Trademarks.

Accordingly, the security interests in the Trademarks created in favor of the First Lien Agent for the benefit of the Lenders are terminated and of no further force and effect, effective on the date hereof. Upon the effectiveness of the release in accordance with the preceding sentence, the First Lien Agent hereby authorizes the Loan Parties to release or terminate and record releases of the security interests created by the Pledge and Security Agreement, as appropriate, in each case in appropriate form to evidence the release specified in this paragraph and for filing or recordation in the offices and jurisdictions that the Loan Parties reasonably deem appropriate for or to give effect to the foregoing. Upon request by the Borrower, and at the sole cost and expense of the Borrower, the First Lien Agent hereby agrees to execute such other documents and instruments as may be prepared by the Borrower that are reasonably required to effectuate the foregoing releases.

AMERICAN CAPITAL FINANCIAL SERVICES, INC., as First Lien Agent, on behalf of itself and the Lenders, releases all of its interest in and to the Trademarks and hereby conveys the same, without recourse, representation or warranty, to the applicable Loan Party, which has an address at 601 Industrial Drive, Middletown, Delaware 19709.

Notwithstanding the foregoing, nothing herein shall constitute a release or termination of the security interests in the Trademarks created in favor of **AMERICAN CAPITAL FINANCIAL SERVICES, INC. as Second Lien Agent** in connection with the Note Purchase Agreement, as amended.

**AMERICAN CAPITAL FINANCIAL
SERVICES, INC., as First Lien Agent**

By: 
Name: TODD WILSON
Title: _____

Address:
2 Bethesda Metro Center, 14th Floor
Bethesda, MD 20814

SCHEDULE 1

TRADEMARKS

Trademarks and Trademark Licenses:

<u>Trademark</u>	<u>Country</u>	<u>Owner</u>	<u>Status</u>	<u>Registration Number</u>	<u>Registration Date</u>
DELNET	United States	DelStar Technologies, Inc.	Registered	910,990	April 6, 1971
DELPORE	United States	DelStar Technologies, Inc.	Registered	2,300,773	December 14, 1999
STRATEX	United States	DelStar Technologies, Inc.	Registered	2,192,570	September 29, 1998
DELSORB	United States	DelStar Technologies, Inc.	Registered	2,300,774	December 14, 1999
DELGUARD	United States	DelStar Technologies, Inc.	Registered	2,330,233	March 14, 2000
DURONET	United States	U.S. Netting, Inc.	Registered	1,370,201	November 12, 1985
FLEX-GUARD	United States	U.S. Netting, Inc.	Registered	1,394,059	May 20, 1986
HAIL GUARD	United States	U.S. Netting, Inc.	Registered	2,685,561	February 11, 2003
NALTEX	United States	U.S. Netting, Inc.	Registered	789,254	May 11, 1965
TEXLINER	United States	U.S. Netting, Inc.	Registered	1,394,058	May 20, 1986

SPIRO-TEX	United States	U.S. Netting, Inc.	Registered	1,390,783	April 22, 1986
SOFTLINER	United States	U.S. Netting, Inc.	Registered	1,383,814	February 18, 1986
SHUR-GRIP	United States	U.S. Netting, Inc.	Registered	2,231,333	March 16, 1999