

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

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

U.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.


<p>1. Name of conveying party(ies): JPMorgan Chase Bank (Successor in Interest to the Chase Manhattan Bank)</p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Corporation-State <input checked="" type="checkbox"/> Other: Banking Corporation</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies): Name: <u>American Fibers and Yarn Company</u> Internal Address: Street Address: <u>55 Vilcom Circle</u> City: <u>Chapel Hill</u> State: <u>North Carolina</u> Zip: <u>27514</u></p> <p><input type="checkbox"/> Individual(s) citizenship: _____ <input type="checkbox"/> Association: _____ <input type="checkbox"/> General Partnership: _____ <input type="checkbox"/> Limited Partnership: _____ <input checked="" type="checkbox"/> Corporation-State: <u>Delaware</u> <input type="checkbox"/> Other: _____</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <small>(Designations must be a separate document from assignment)</small> Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of Conveyance:</p> <p><input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: Release of Security of Interest (dated as of January 31, 2002)</p> <p>Execution Date: <u>September 19, 2003</u></p>	

<p>4. Application Number(s) or Registration Number(s):</p> <p>A. Trademark Application No.(s): <u>75/837,735</u></p> <p style="text-align: right;">Additional numbers attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>B. Trademark Registration No.(s):</p> <table style="width: 100%; border: none;"> <tr><td style="border: none;">2,118,663</td><td style="border: none;">1,616,797</td></tr> <tr><td style="border: none;">1,622,603</td><td style="border: none;">873,466</td></tr> <tr><td style="border: none;">1,609,140</td><td style="border: none;">2,082,343</td></tr> </table> <p style="text-align: right;">Additional numbers attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	2,118,663	1,616,797	1,622,603	873,466	1,609,140	2,082,343
2,118,663	1,616,797						
1,622,603	873,466						
1,609,140	2,082,343						

<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Name: <u>Erin A. Dugan, IP Paralegal</u> <u>Rope & Gray LLP</u></p> <p>Internal Address: <u>Atty. Dkt.: MCEN-018-019</u> Street Address: <u>One International Place</u> City: <u>Boston</u> State: <u>MA</u> Zip: <u>02110</u></p>	<p>6. Total Number of applications and registrations involved: <u>16</u></p> <p>7. Total fee (37 CFR 3.41) \$ <u>\$415.00</u></p> <p><input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to Deposit Account <input type="checkbox"/> Authorized to be charged to credit card <small>(Form 2038 enclosed)</small></p> <p>8. Deposit account number: <u>18-1945</u> <small>(Attach duplicate copy of this page if paying by deposit account)</small></p>
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DO NOT USE THIS SPACE

9. Statement and signature:
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

<u>Alexander Manganiello</u>		<u>December 5, 2003</u>
Name of Person Signing	Signature	Date

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

CH \$415.00 18-1945 75837735

[EXECUTION COPY]

RELEASE OF SECURITY INTEREST
(TRADEMARKS)

THIS RELEASE OF SECURITY INTEREST (this "Release") is made as of September 18, 2003 by JPMORGAN CHASE BANK (as successor in interest to The Chase Manhattan Bank), a New York banking corporation, as administrative agent and collateral agent for the Lenders (defined below) (in such capacity, the "Agent"), in favor of AMERICAN FIBERS AND YARNS COMPANY, a Delaware corporation (the "Grantor").

WHEREAS, the Grantor entered into a certain Second Amended and Restated Credit Agreement, dated as of January 31, 2002 (the "Credit Agreement"), among the Grantor, AFY Holding Company, a Delaware corporation ("Holdings"), each of the financial institutions from time to time party thereto (the "Lenders") and the Agent;

WHEREAS, pursuant to a certain Second Amended and Restated Security Agreement, dated as of January 31, 2002 (the "Security Agreement"), among the Grantor, Holdings, each subsidiary of the Grantor listed on Schedule I thereto, in favor of the Agent, the Grantor has granted to the Agent, for the ratable benefit of the Secured Parties, a security interest in all of the Collateral (as such term is defined in the Security Agreement);

WHEREAS, pursuant to a certain Trademark Security Agreement Supplement, dated as of February 28, 2002 (the "IP Security Agreement"), by the Grantor in favor of the Agent and the Lenders, the Grantor has granted to the Agent, for the ratable benefit of the Secured Parties, a security interest in all of the Collateral (as such term is defined in the IP Security Agreement), including the Collateral identified in Exhibit A attached hereto (the "Intellectual Property Assets"), which security interest and liens were recorded in the U.S. Patent and Trademark Office on March 14, 2002 as Reel/Frame No. 2475/0422;

WHEREAS, the capitalized terms used herein and not otherwise defined herein or where no definition is referenced shall have the meanings ascribed to them in the Credit Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Agent agrees as follows:

1. Release. The Agent hereby releases and discharges its security interest in and lien upon the Intellectual Property Assets.
2. Further Assurances. The Agent acknowledges and agrees to execute and deliver all such other documents and statements reasonably requested by the Grantor to further evidence or effect the release set forth in Section 1 above.
3. GOVERNING LAW. THIS RELEASE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, EXCLUDING ANY CONFLICTS-OF-LAWS RULES THAT WOULD OTHERWISE CAUSE THE LAWS OF ANY OTHER JURISDICTION TO APPLY.

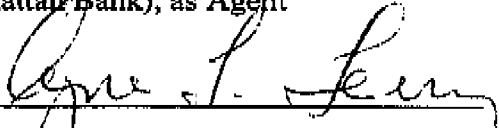
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IN WITNESS WHEREOF, the undersigned has caused this Release to be executed by its duly zed representative as of the date first above written.

JPMORGAN CHASE BANK (as successor in interest to The Chase Manhattan Bank), as Agent

By: 

Name: _____
 Title: _____

AGNES L. LEVY
 Managing Director

EXHIBIT A
TO
RELEASE OF SECURITY INTEREST

SCHEDULE OF INTELLECTUAL PROPERTY ASSETS

TRADEMARKS

<u>Trademark</u>	<u>Application or Registration Date</u>	<u>Application Serial No. or Registration No.</u>
ALPHA	12/09/1997	2118663
ESSERA	08/07/1990	1609140
ESSERA DESIGN	10/09/1990	1616797
FIBERLINES	07/22/1969	873466
IMPRESSA	07/22/1997	2082343
INNOVA	11/06/1990	1621282
MARQUESA (Stylized)	12/23/1980	1144232
MARVESS	07/19/1966	811168
PETROFIBER	12/22/1987	1469830
SYNERA	02/19/1985	1320807
SYNERA	02/19/1985	1320893
THE NATURALIZED YARN	09/11/1990	1612986
TRACE	09/10/1991	1656849
TRACE DESIGN	06/09/1992	1693768
AMERICAN FIBERS AND YARNS COMPANY AND DESIGN	11/02/99 (application date)	75837735 (application serial no.)

NYB 1430724.2

RECORDED: 12/05/2003

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