

Form PTO-1595 (Rev. 03/01) **RECORDATION FORM COVER SHEET** U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office  
**PATENTS ONLY**  
 OMB No. 0651-0027 (exp. 5/31/2002)

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof

1. Name of conveying party(ies):  
JPMorgan Chase Bank (Successor in Interest to the Chase Manhattan Bank)

2. Name and address of receiving party(ies)  
Name: American Fibers and Yarn Company

Internal Address: \_\_\_\_\_

Street Address: 55 Vilcom Circle

Additional name(s) of conveying party(ies) attached?  Yes  No

City: Chapel Hill

State: North Carolina Zip: 27514

3. Nature of Conveyance:

Assignment  Merger

Security Agreement  Change of Name

Other Release of Security Interest (dated as of January 31, 2002)

Additional name(s) & address(es) attached:  Yes  No

Execution Date: September 18, 2003

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the new application is: \_\_\_\_\_

A. Patent Application No.(s):

B. Patent No.(s):

4,547,934 4,978,485  
4,965,920 4,825,517

Additional numbers attached?  Yes  No

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

Name: Erin A. Dugan, IP Paralegal  
Ropes & Gray LLP

Internal Address: Atty. Dkt.: MCEN-018-019

Street Address: One International Place

City: Boston MA Zip: 02110

6. Total number of applications and patents involved: 4

7. Total fee (37 CFR 3.41) \$ 160.00

Enclosed  
 Authorized to be charged to deposit account  
 Authorized to be charged to credit card (Form 203B enclosed)

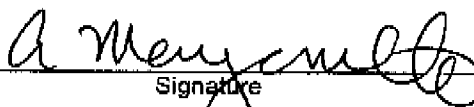
8. Deposit account number: 18-1945  
(Attach duplicate copy of this page if paying by deposit account)

**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.

Alexander Manganiello  
Name of Person Signing



December 5, 2003  
Date

Total number of pages including cover sheet, attachments, and documents: 4

CH \$160.00 18-1945 4547934

[EXECUTION COPY]

**RELEASE OF SECURITY INTEREST**  
**(PATENTS)**

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 Patent 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 28, 2002 as Reel/Frame No. 012754/0678;

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.

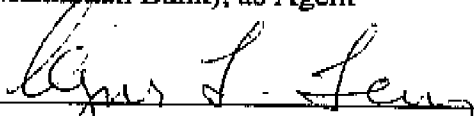
2. Further Assurances. The Agent acknowledges and agrees to execute and deliver all such other documents and statements reasonably requested by the Grantor to further evidence or effect the release set forth in Section 1 above.

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.

[Remainder of page intentionally left blank]

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: AGNES L. LEVY  
Title: Managing Director

**EXHIBIT A**  
**TO**  
**RELEASE OF SECURITY INTEREST**

**SCHEDULE OF INTELLECTUAL PROPERTY ASSETS**

**PATENTS**

<u>Title</u>	<u>Date Filed or Granted</u>	<u>Serial No. or Patent No.</u>
CRIMPED STAPLE FIBER	October 22, 1985	4,547,934
FLUID HEATED ROLL APPARATUS AND METHOD	October 30, 1990	4,965,920
METHOD FOR CONTROLLING A QUENCH FLUID VELOCITY IN A POLYMER MELT SPINNING PROCESS	December 18, 1990	4,978,485
APPARATUS FOR DRAWING AND INTERLACING	May 2, 1989	4,825,517

\*The Patents listed are subject to certain retained rights of BP Amoco Corporation with respect to existing licenses and activities outside the carpet face yarn field as set forth in the Patent Assignment Agreement dated the Closing Date between BP Amoco Corporation and the Borrower.

NYB 1430729.2