

Form PTO-1594	RECORDATION FORM COVER SHEET (continued)	Page 2 of 2
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Additional Conveying Parties (1. Continued):

Additional Receiving Parties (2. Continued):

Assignee Name:
 Internal Address:

Street Address:

City: State: Zip Code:

Additional Applications and/or Registration Numbers (4. Continued)

Additional Application Number(s) 4A continued:	Additional Registration Number(s) 4B continued: <ul style="list-style-type: none"> 1,621,282 1,114,232 811,168 1,469,830 1,320,807 1,320,893 1,612,986 1,656,849 1,693,768
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Additional numbers attached? Yes No

[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 Amended and Restated Credit Agreement, dated as of July 31, 2001 (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 Amended and Restated Security Agreement, dated as of July 31, 2001 (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 July 31, 2001 (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 August 24, 2001 as Reel/Frame No. 002316/0042;

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
ized representative as of the date first above written.

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

By: *Agnes L. Lewis*
Name:
Title: *AGNES L. LEWIS*
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
CONDESA DESIGN	11/13/1990	1622603
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 1430731.2

RECORDED: 12/05/2003

TRADEMARK
REEL: 002759 FRAME: 0059