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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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.

1. Name of conveying party(ies): Garlock Sealing Technologies LLC
Individual(s) Association
General Partnership Limited Partnership
Corporation-State
Other Delaware limited liability company
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Bank of America, N.A., as Agent
Internal Address: Atlanta Plaza Building
Street Address: 600 Peachtree Street, N.E.
City: Atlanta State: GA Zip: 30308-2265
Individual(s) citizenship
Association
General Partnership
Limited Partnership
Corporation-State
Other National Banking Association
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
Assignment Merger
Security Agreement Change of Name
Other
Execution Date: May 31, 2002

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) See Continuation of Item 4 attached hereto as Exhibit A.
Additional number(s) attached Yes No

B. Trademark Registration No.(s) See Continuation of Item 4 attached hereto as Exhibit A.

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Linda R. Kastner
Internal Address: c/o Latham & Watkins
Suite 5800, Sears Tower
Street Address: 233 S. Wacker Drive
City: Chicago State: IL Zip: 60606

6. Total number of applications and registrations involved: 86
7. Total fee (37 CFR 3.41) \$ 2165.00
Enclosed
Authorized to be charged to deposit account
8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.
Linda R. Kastner Name of Person Signing
Signature Date 9/12/02

Total number of pages including cover sheet, attachments, and document: 23

09/16/2002 TDIAZ1 00000194 1278970

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

01 FC:481 40.00 OP
02 FC:482 2125.00 OP

TRADEMARK REEL: 002573 FRAME: 0892

EXHIBIT A

Continuation of Item 4

**APPLICATION OR
REGISTRATION
NUMBER**

1,278,970	647,487	2,262,022
661,669	377,981	800,512
321,984	642,594	728,548
661,670	1,284,068	1,305,022
1,198,739	844,381	930,297
439,630	643,892	769,027
739,748	801,648	871,317
605,500	646,952	2,220,012
610,403	181,026	2,187,387
671,847	48,356	2,057,119
1,589,729	647,488	2,250,480
2,182,260	806,599	1,624,844
2,268,788	642,595	2,289,995
1,602,289	23,420	2,213,501
2,470,523	2,320,392	1,237,326
2,560,945	2,305,538	1,983,797
1,630,856	2,484,562	2,272,020
1,193,010	76/069,003	1,107,793
763,513	2,257,557	2,087,845
1,959,621	2,358,432	
2,012,983	1,209,712	
1,076,821	958,129	
1,127,190	1,301,678	
908,922	860,761	
849,823	2,210,413	
904,160	2,213,897	
2,244,911	508,591	
1,692,406	572,833	
1,861,346	378,035	
184,261	1,577,765	
647,010	756,832	
	855,561	
	2,370,665	
	612,198	
	2,195,686	
	1,600,832	

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") is made and entered into as of May 31, 2002 by Garlock Sealing Technologies LLC ("Debtor"), in favor of Bank of America, N.A., individually and as agent (in such capacity, "Agent") for itself and lenders ("Lenders") from time to time party to the Credit Agreement as hereinafter defined.

WITNESSETH:

WHEREAS, Agent, Lenders, Citicorp USA, Inc., as Syndication Agent, and Coltec Industries Inc, a Pennsylvania corporation ("Coltec"), Coltec Industrial Products LLC, a Delaware limited liability company ("CIP"), Garlock Sealing Technologies LLC, a Delaware limited liability company ("Garlock Sealing"), Garlock Bearings LLC, a Delaware limited liability company ("Garlock Bearing"), Haber Tool Company Inc, a Michigan corporation ("Haber Tool"), and Stemco LLC, a Delaware limited liability company ("Stemco" and, together with Coltec, CIP, Garlock Sealing, Garlock Bearing and Haber Tool, each individually referred to herein as "Borrower" and collectively as "Borrowers") have entered into that certain Credit Agreement dated as of May 16, 2002 (as the same may be amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), pursuant to which Agent and Lenders may make loans and provide other financial accommodations to Borrowers (capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement); and

WHEREAS, Lenders have required, as a condition to the extension of credit to Borrowers under the Credit Agreement, that Debtor shall grant to Agent for its benefit and the ratable benefit of Lenders a security interest in and to the Collateral (as defined herein).

AGREEMENT

NOW THEREFORE, in consideration of the premises and in order to induce Lenders to extend credit under the Credit Agreement, Debtor hereby agrees with Agent as follows:

1. Creation of Security Interest. Debtor hereby grants to Agent for its benefit and the ratable benefit of Lenders a security interest in all of Debtor's right, title and interest in and to the collateral described in Section 2 herein (the "Collateral") in order to secure the payment of all of Debtor's Obligations under the Credit Agreement (collectively, the "Secured Obligations").

2. Collateral. The Collateral is:

(a) all of Debtor's U.S. registered trademarks, U.S. trademark registrations, U.S. registered tradenames and U.S. trademark applications, which, in each case, are owned by Debtor and are now or hereafter filed with the United States Patent and Trademark Office, including, without limitation, the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable with

respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, tradenames and trademark applications, together with the items described in clauses (i)-(iv) in this subparagraph (a), are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"); and

(b) the goodwill of Debtor's business connected with and symbolized by the Trademarks; and

(c) any and all rights now owned or hereafter acquired by Debtor under any written agreement granting any exclusive right to use any other Person's United States trademarks or United States trademark applications ("Trademark Licenses"), including those listed on Schedule B attached hereto, to the extent permitted thereunder; and

(d) all accessions to, substitutions for and replacements, products and proceeds of any of the foregoing.

Notwithstanding the foregoing, the collateral security granted pursuant to this Section 2 shall exclude rights under (but not excluding proceeds of) any Trademark Licenses that contain an enforceable restriction on Debtor's right to grant the security interest to Agent contemplated by this Agreement, unless and until such Debtor shall have obtained consent from the relevant party or parties thereto to the grant of such security interest.

3. License.

(a) Grant of License. Debtor hereby grants to Agent for its benefit and for the ratable benefit of Lenders a non-exclusive, assignable right and license, during the existence of an Event of Default, (i) under each Trademark to use such Trademark (such license to be exercised with such quality controls as are necessary to avoid abandonment of any Trademark) and (ii) under any license agreements held by Debtor with respect to trademarks owned by any person or entity other than Debtor to the extent permitted under such agreements, and to sell any Collateral bearing any such Trademark to the extent that such license is reasonably necessary to permit or to facilitate the collection, after an Event of Default, of any accounts receivable of Debtor or the disposition, after an Event of Default, of any Collateral (the "License"). The License shall be without royalty or any other payments or fees by Agent or Lenders and the permitted use by Agent and Lenders (unless otherwise provided for in any License) thereunder (i) shall be worldwide and (ii) shall be limited only by those restrictions to which Debtor is subject under each Trademark and the licenses and other contracts related thereto.

(b) Term of License. At such time as the Secured Obligations have been paid in full and the Credit Agreement and the other Loan Documents have been terminated, this Agreement shall terminate and Agent shall promptly execute and deliver to Debtor all deeds, assignments and other instruments reasonably requested by Debtor as may be necessary or proper to re-vest in Debtor full title to the Trademarks, subject to any disposition thereof which

may have been made by Agent pursuant hereto. Such reassignment and redelivery shall be without warranty by or recourse to Agent or Lenders, and shall be at the expense of Debtor.

4. Restrictions on Future Agreements. Unless otherwise permitted by the Credit Agreement, until the Secured Obligations shall have been satisfied in full and the Credit Agreement and the other Loan Documents shall have been terminated, Debtor will not, without Agent's prior written consent, which consent shall not be unreasonably withheld, (a) enter into any agreement, including, without limitation, any license agreement that violates Debtor's obligations under this Agreement and the other Loan Documents to which Debtor is a party, (b) take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (including, without limitation, the abandonment of any material Trademark), that would affect the validity or enforceability of the rights transferred to Agent and Lenders under this Agreement or (c) enter into any other contractual obligations which would reasonably be expected to restrict or inhibit Agent's rights to sell or otherwise dispose of the Collateral or any part thereof after the occurrence of an Event of Default.

5. New Trademarks. Debtor represents and warrants that the Trademarks listed on Schedule A constitute all of the registered trademarks, tradenames and applications which are as of the date hereof owned by or are pending on behalf of Debtor in the United States. If, before the Secured Obligations shall have been satisfied in full, Debtor shall (i) (a) obtain any registration or apply for any registration after the date hereof in the United States Patent and Trademark Office or (b) obtain rights to any U.S. registered trademarks or tradenames used in the United States, or (ii) (a) become entitled to the benefit of any trademark application, trademark, tradename or trademark registration in the United States or (b) become entitled to the benefit of any U.S. registered trademark or tradenames used in the United States, the provisions of Section 1 shall automatically apply thereto and Debtor shall give to Agent written notice thereof. Debtor hereby authorizes Agent to modify this Agreement by amending Schedule A and B to include any future trademarks, trademark registrations, trademark applications and tradenames that are Trademarks, as applicable, under Section 2 or under this Section 5. Debtor agrees to give Agent prompt written notice within forty five (45) days after the end of each of its fiscal quarters of all new exclusive Licenses and trademark applications for registration in the United States Patent and Trademark Office and to execute amendments and provide new schedules as Agent shall request

6. Additional Representations and Warranties. Debtor hereby represents, warrants, covenants and agrees that:

(a) Except as otherwise provided herein or permitted by the Credit Agreement, it is and will continue to be the owner of all its right, title and interest in the Collateral so long as the Trademarks shall continue in force, free from any lien in favor of any person or entity.

(b) It has the full right and power to grant the security interest in the Collateral made hereby.

(c) Except as set forth on Schedule 6(c) or as otherwise provided herein or permitted by the Credit Agreement, it has made no previous assignment, transfer or agreements

in conflict herewith or constituting a present or future assignment, transfer, or encumbrance on any of the Collateral.

(d) So long as any Secured Obligations remain outstanding or the Credit Agreement or the other Loan Documents have not been terminated, it will not execute, and there will not be on file in any public office, any financing statement or other document or instruments evidencing or giving notice of liens affecting the Collateral (other than filings pursuant to the Loan Documents or permitted thereby).

(e) To the best of Debtor's knowledge, no material infringement or unauthorized use presently is being made of any of the Trademarks which would materially and adversely affect the fair market value of the Collateral or the material benefits of this Agreement granted to Agent and Lenders, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of Agent hereunder and Debtor will continue to maintain monitoring and enforcement practices in accordance with reasonable business practices.

7. Agent's Right to Maintain Quality. Debtor agrees that from and after the occurrence of an Event of Default, Agent shall have the right to establish such additional product quality controls as Agent, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Debtor under the Trademarks. Except as permitted by the Credit Agreement, Debtor agrees (i) not to sell or assign its interest in, or to grant any license under, any Trademarks without the prior written consent of Agent, which consent shall not be unreasonably withheld; provided that Debtor may grant (a) non-exclusive licenses in Trademarks in the ordinary course of its business and (b) exclusive licenses in Trademarks to the extent that the grant of such licenses do not prevent Agent from selling, disposing or otherwise exercising its rights with respect to the Trademarks; (ii) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of such products as of the date hereof; and (iii) to provide Agent, upon request, with a certificate of an officer of Debtor certifying Debtor's compliance with the foregoing.

8. Duties of Debtor. Debtor shall (i) prosecute, in its reasonable business judgment and to the extent such trademarks would have material economic value to Debtor in its reasonable business judgment, diligently any trademark application that is part of the Trademarks pending as of the date hereof or thereafter until the Secured Obligations shall have been paid in full and the Credit Agreement and the other Loan Documents shall have been terminated, (ii) make application for registration on U.S. trademarks, as appropriate in its reasonable business judgment and to the extent such trademarks would have material economic value to Debtor in its reasonable business judgment, (iii) except as provided in the Credit Agreement, preserve and maintain all rights in trademark applications, trademarks, tradenames, and trademark registrations that are part of the Trademarks unless Debtor determines in its reasonable business judgment that such rights do not have material economic value (iv) not abandon any right to file a U.S. trademark application nor any pending U.S. trademark application if it determines in its reasonable business judgment that such trademarks would have material economic value and (v) not abandon any given material Trademark. Any expenses incurred in connection with the applications referred to in this Section 9 shall be borne by Debtor.

If Debtor fails to comply with any of the foregoing duties, Agent may so comply in Debtor's name to the extent permitted by law, but at Debtor's expense, and Debtor hereby agrees to reimburse Agent in full for all expenses, including the reasonable fees and disbursements of attorneys and paralegals (including charges for inside counsel) incurred by Agent in protecting, defending and maintaining the Collateral.

In the event that Debtor shall fail to pay when due any fees required to be paid by it hereunder, or shall fail to discharge any lien, prohibited hereby, or shall fail to comply with any other duty hereunder, Agent may, but shall not be required to, pay, satisfy, discharge or bond the same for the account of Debtor and all moneys so paid out shall be Secured Obligations of Debtor repayable on demand, together with interest at an interest rate equal to the highest rate permitted by Section 2.1 of the Credit Agreement.

Debtor shall take all action necessary to preserve and maintain the validity, perfection and first priority of Agent's security interest granted herein in the Collateral.

9. Agent's Right to Sue. From and after the occurrence of an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Collateral, and any licenses thereunder, and, if Agent shall commence any such suit, Debtor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Debtor shall indemnify and shall, upon demand, promptly reimburse Agent for all damages, costs and expenses, including attorneys' and paralegal fees and expenses, incurred by Agent in the exercise of its rights under this Section 10.

10. Waivers. No course of dealing between Debtor and Agent or Lenders, nor any failure to exercise, nor any delay in exercising, on the part of Agent or any Lender, any right, power or privilege hereunder or under the Credit Agreement or any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction. If any provision hereof shall render an otherwise valid Trademark invalid or ineffective, then such provision shall be void ab initio to the extent that the validity or effectiveness of the Trademark is thereby preserved and Debtor shall make suitable other valid arrangements to provide Agent and Lenders with equivalent protections to that intended hereby.

12. Amendments and Waivers. Except as set forth in Section 5 hereof, neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of Agent. Agent shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in

writing and signed by an authorized officer of Agent. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Agent of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Agent would otherwise have on any future occasion, whether similar in kind or otherwise.

13. Remedies. If any Event of Default shall have occurred, Agent shall be entitled to exercise in respect of the Collateral, in addition to other rights and remedies provided for herein, in the Credit Agreement and the other Loan Documents or otherwise available to Agent, all of the rights and remedies of a secured party under the Uniform Commercial Code in effect in the State of North Carolina (the "UCC") whether or not the UCC applies to the affected Collateral, and also may (i) require Debtor, and Debtor hereby agrees that it will upon the request of Agent, forthwith, (A) execute and deliver an assignment, substantially in the form of Exhibit A hereto, of all right, title and interest in and to the Collateral, and (B) take such other action as Agent may request to effectuate the outright assignment of such Collateral or to exercise, register or further perfect and protect their rights and remedies with respect to such assigned Collateral, and (ii) without notice except as specified below, sell the Trademarks and the goodwill of the businesses related thereto or any part thereof in one or more parcels at public or private sale, at any of Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as are commercially reasonable. Debtor agrees that at least ten (10) days' prior notice to Debtor of the time and place of any public sale or the time which any private sale is to be made shall constitute reasonable notification. Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Agent or any Lender may purchase all or any part of the Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of such purchase price, may setoff the amount of such price against the Secured Obligations. The proceeds realized from the sale of any Trademarks shall be applied as set forth in Section 3.8 of the Credit Agreement. If any deficiency shall arise, Debtor shall remain liable to Agent and Lenders therefor to the extent provided in the Loan Documents. The commencement of any action, legal or equitable, or the rendering of any judgment or decree for deficiency shall not affect Agent's security interest in the Collateral until the Secured Obligations are fully paid. Debtor agrees that Agent and Lenders have no obligation to preserve rights to Collateral against any other parties.

14. Cumulative Remedies; Power of Attorney; Effect on the Other Agreements. All of Agent's rights and remedies with respect to the Collateral, whether established hereby, by the Credit Agreement, the other Loan Documents or by law shall be cumulative and may be exercised singularly or concurrently. Debtor hereby authorizes Agent to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Debtor's true and lawful attorney-in-fact, with power, from and after the occurrence of an Event of Default to (a) endorse Debtor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Collateral including, without limitation, if Debtor fails to execute and deliver within five (5) business days of Agent's request therefor the assignment substantially in the form of Exhibit A hereto, (b) take any other actions with respect to the Collateral as Agent deems in the best interest of Agent, (c) grant or issue any exclusive or non-exclusive license under the Collateral to anyone, or (d) assign, pledge,

convey or otherwise transfer title in or dispose of the Collateral to anyone. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until all Secured Obligations shall have been paid in full and the Credit Agreement and the other Loan Documents have been terminated. Debtor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent and Lenders under the Credit Agreement and the other Loan Documents but rather is intended to facilitate the exercise of such rights and remedies.

15. Notice. All notices, requests and demands hereunder shall be in writing and (a) made to Agent and to Debtor at their respective addresses set forth in Section 13.8 of the Credit Agreement or to such other address as either party may designate by written notice to the other in accordance with this provision, and (b) deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next business day, one (1) business day after sending; and if by registered or certified mail, return receipt requested, five (5) days after mailing.

16. Transfer of Obligations. This Agreement shall create a continuing security interest in the Collateral and shall (i) be binding upon Debtor and its successors and assigns and (ii) inure, together with the rights and remedies of Agent and Lenders hereunder, to the benefit of Agent and Lenders, and their respective successors, transferees and assigns. Without limiting the generality of the foregoing clause (ii) and subject to the provisions of the Credit Agreement Agent and/or any Lender may, assign or otherwise transfer any of the Secured Obligations and/or the "Obligations" as defined in the Credit Agreement to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to Agent and/or such Lender herein or otherwise.

17. Authority of Agent. Agent shall have and be entitled to exercise all powers hereunder which are specifically delegated to Agent by the terms hereof, together with such powers as are reasonably incident thereto. Agent may perform any of its duties hereunder or in connection with the Collateral by or through agents or employees and shall be entitled to retain counsel and to act in reliance upon the advice of counsel concerning all such matters. Agent and its directors, officers, employees, attorneys and agents shall be entitled to rely on any communication, instrument or document believed by it or them to be genuine and correct and to have been signed or sent by the proper person or persons. Debtor agrees to indemnify and hold harmless Agent and Lenders and any other person acting on behalf of Agent or Lenders from and against any and all costs, expenses, including reasonable fees and expenses of attorneys and paralegals (including charges of inside counsel), claims or liability incurred by Agent or any Lenders or such person hereunder, unless such claim or liability shall be due to willful misconduct or gross negligence on the part of Agent, Lenders or such person.

18. Waiver. To the fullest extent it may lawfully so agree, Debtor agrees that it will not at any time insist upon, claim, plead, or take any benefit or advantage of any appraisal, valuation, stay, extension, moratorium, redemption or similar law now or hereafter in force in order to prevent, delay, or hinder the enforcement hereof or the absolute sale of any

part of the Collateral. Debtor for itself and all who claim through it, so far as it or they now or hereafter lawfully may do so, hereby waives the benefit of all such laws, and all right to have the Collateral marshalled upon any foreclosure hereof, and agrees that any court having jurisdiction to foreclose this Agreement may order the sale of the Collateral as an entirety. Without limiting the generality of the foregoing, Debtor hereby: (i) authorizes Agent in its sole discretion and without notice to or demand upon Debtor and without otherwise affecting the obligations of Debtor hereunder from time to time to take and hold other collateral (in addition to the Collateral) for payment of the Secured Obligations, or any part thereof, and to exchange, enforce or release such other collateral or any part thereof and to accept and hold any endorsement or guarantee of payment of the Secured Obligations, or any part thereof and to release or substitute any endorser or guarantor or any other person granting security for or in any other way obligated upon any Secured Obligations or any part thereof, and (ii) waives and releases any and all right to require Agent to collect any of the Secured Obligations from any specific item or items of the Collateral or from any other party liable as guarantor or in any other manner in respect of any of the Secured Obligations or from any collateral (other than the Collateral) for any of the Secured Obligations.

19. Interpretation of Agreement. Time is of the essence of each provision of this Agreement of which time is an element. All terms not defined herein shall have the meaning set forth in the UCC, except where the context otherwise requires.

20. Reinstatement. This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by Agent or any Lender in respect of the Secured Obligations is rescinded or must otherwise be restored or returned by Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Debtor or upon the appointment of any intervenor or conservator of, or trustee or similar official for, Debtor or any substantial part of its assets, or otherwise, all as though such payments had not been made.

21. Final Expression. This Agreement, together with the other Loan Documents to which Debtor is a party, is intended by the parties as a final expression of their agreement and is intended as a complete and exclusive statement of the terms and conditions thereof. Acceptance of or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

22. Survival of Provisions. All representations, warranties and covenants of Debtor contained herein shall survive the execution and delivery of this Agreement, and shall terminate only upon the full and final payment and performance by Debtor of the Secured Obligations and termination of the Credit Agreement and the other Loan Documents.

23. Termination of Agreement. This Agreement shall terminate upon full and final payment and performance of all the Secured Obligations and termination of the Credit Agreement and the other Loan Documents. At such time, Agent shall, at the request of Debtor, reassign and redeliver to Debtor all of the collateral of Debtor hereunder which has not been sold, disposed of, retained or applied by Agent in accordance with the terms hereof. Such

reassignment and redelivery shall be without warranty by or recourse to Agent, except as to the absence of any prior assignments by Agent of its interest in the Collateral, and shall be at the expense of Debtor.

24. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same agreement.

25. GOVERNING LAW; SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL; WAIVER OF DAMAGES.

(a) THIS AGREEMENT SHALL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE INTERNAL LAWS (AS OPPOSED TO THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF NORTH CAROLINA, PROVIDED THAT AGENT SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NORTH CAROLINA OR OF THE UNITED STATES OF AMERICA LOCATED IN THE WESTERN DISTRICT OF NORTH CAROLINA, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF DEBTOR AND AGENT CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF DEBTOR AND AGENT IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING: (1) AGENT SHALL HAVE THE RIGHT TO BRING ANY ACTION OR PROCEEDING AGAINST DEBTOR OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION AGENT DEEMS NECESSARY OR APPROPRIATE IN ORDER TO REALIZE ON THE COLLATERAL OR OTHER SECURITY FOR THE SECURED OBLIGATIONS AND (2) EACH OF THE PARTIES HERETO ACKNOWLEDGES THAT ANY APPEALS FROM THE COURTS DESCRIBED IN THE IMMEDIATELY PRECEDING SENTENCE MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE THOSE JURISDICTIONS.

(c) DEBTOR HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL (RETURN RECEIPT REQUESTED) DIRECTED TO DEBTOR AT ITS ADDRESS SET FORTH HEREIN AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO DEPOSITED IN THE U.S. MAILS POSTAGE PREPAID. NOTHING CONTAINED HEREIN SHALL AFFECT THE RIGHT OF AGENT TO SERVE LEGAL PROCESS BY ANY OTHER MANNER PERMITTED BY LAW.

(d) DEBTOR AND AGENT EACH IRREVOCABLY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY AGENT-RELATED PERSON, PARTICIPANT OR ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. DEBTOR AND AGENT EACH AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT.

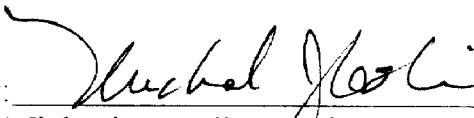
(e) AGENT AND LENDERS SHALL NOT HAVE ANY LIABILITY TO DEBTOR (WHETHER IN TORT, CONTRACT, EQUITY OR OTHERWISE) FOR LOSSES SUFFERED BY DEBTOR IN CONNECTION WITH, ARISING OUT OF, OR IN ANY WAY RELATED TO THE TRANSACTIONS OR RELATIONSHIPS CONTEMPLATED BY THIS AGREEMENT, OR ANY ACT, OMISSION OR EVENT OCCURRING IN CONNECTION HEREWITH, UNLESS IT IS DETERMINED THAT THE LOSSES WERE THE RESULT OF ACTS OR OMISSIONS BY AGENT AND LENDERS CONSTITUTING GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. IN ANY SUCH LITIGATION, AGENT AND LENDERS SHALL BE ENTITLED TO THE BENEFIT OF THE REBUTTABLE PRESUMPTION THAT THEY ACTED IN GOOD FAITH AND WITH THE EXERCISE OF ORDINARY CARE IN THEIR PERFORMANCE OF THE TERMS OF THIS AGREEMENT.

(f) EXCEPT FOR RIGHTS OF NOTICE WHICH ARE EXPRESSLY PROVIDED FOR HEREIN, DEBTOR HEREBY EXPRESSLY WAIVES ALL RIGHTS OF NOTICE AND HEARING OF ANY KIND PRIOR TO THE EXERCISE OF RIGHTS BY AGENT FROM AND AFTER THE OCCURRENCE OF AN EVENT OF DEFAULT TO REPOSSESS THE COLLATERAL WITH JUDICIAL PROCESS OR TO REPLEVY, ATTACH OR LEVY UPON THE COLLATERAL OR OTHER SECURITY FOR THE SECURED OBLIGATIONS. DEBTOR WAIVES THE POSTING OF ANY BOND OTHERWISE REQUIRED OF AGENT IN CONNECTION WITH ANY JUDICIAL PROCESS OR PROCEEDING TO OBTAIN POSSESSION OF, REPLEVY, ATTACH OR LEVY UPON THE COLLATERAL OR OTHER SECURITY FOR THE SECURED OBLIGATIONS, TO ENFORCE ANY JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF AGENT, OR TO ENFORCE BY SPECIFIC PERFORMANCE, TEMPORARY RESTRAINING ORDER, PRELIMINARY OR PERMANENT INJUNCTION, THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT BETWEEN DEBTOR AND AGENT OR ANY LENDER.

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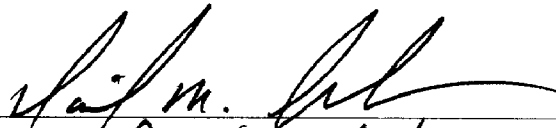
IN WITNESS WHEREOF, Debtor has duly executed and delivered this Agreement as of the day and year first above written.

GARLOCK SEALING TECHNOLOGIES LLC, as Debtor

By: 
Michael J. Leslie, President

By acceptance hereof as of this 31st day of May, 2002 Agent on behalf of itself and Lenders agrees to be bound by the provisions hereof.

BANK OF AMERICA, N.A., as Agent

By: 
Name: David M. Anderson
Title: SVP

[Signature Page to Trademark Security Agreement of Garlock Sealing Technologies LLC]

TRADEMARK
REEL: 002573 FRAME: 0905

SCHEDULE A

TO

TRADEMARK SECURITY AGREEMENT

Dated as of May 31, 2002

Trademarks Owned By Garlock Sealing Technologies LLC

<u>TRADEMARK</u>	<u>DATE OF REGISTRATION OR APPLICATION</u>	<u>APPLICATION OR REGISTRATION NUMBER</u>
Soldier Design	05/22/84	1,278,970
BELMONT	05/13/58	661,669
BELMONT & Design	02/19/35	321,984
BELMONT & Design	05/13/58	661,670
BLUE-GARD	06/22/82	1,198,739
CHEMISEAL (Stylized)	07/06/48	439,630
CHEMISEAL	10/23/62	739,748
CHEVRON	05/03/55	605,500
CHEVRON & Design	08/09/55	610,403
DULON (Stylized)	12/30/58	671,847
DURAKING	04/03/90	1,589,729
DURATUFF	08/18/98	2,182,260
EDGE	08/10/99	2,268,788
ENVELON (Stylized)	06/19/90	1,602,289
EQUAFLEX	07/17/01	2,470,523
EQUALIZER	04/16/02	2,560,945
EZ-FLO (Stylized)	01/08/91	1,630,856
FLAMEOUT	04/06/82	1,193,010
FLEXO-MATIC	01/21/64	763,513
FLEXSEAL	03/05/96	1,959,621
FLUIDTEC	11/05/96	2,012,983
GAR-FIL	11/08/77	1,076,821
GAR-MAX	12/04/79	1,127,190
GAR-SEAL	03/02/71	908,922
GARFITE	05/28/68	849,823
GARFLEX	12/15/70	904,160
GET	05/11/99	2,244,911
GRAPHONIC	06/09/92	1,692,406
TEPHONIC	11/01/94	1,861,346
GARLOCK	05/20/24	184,261
GARLOCK	06/18/57	647,010

C-771536v02_16576.00013

Schedule A

TRADEMARK
REEL: 002573 FRAME: 0906

<u>TRADEMARK</u>	<u>DATE OF REGISTRATION OR APPLICATION</u>	<u>APPLICATION OR REGISTRATION NUMBER</u>
GARLOCK	06/25/57	647,487
GARLOCK	05/21/40	377,981
GARLOCK	03/12/57	642,594
GARLOCK	07/03/84	1,284,068
GARLOCK	02/20/68	844,381
GARLOCK	04/09/57	643,892
GARLOCK	01/11/66	801,648
GARLOCK	06/18/57	646,952
GARLOCK & Caliper Design	03/11/24	181,026
GARLOCK & Caliper Design	12/26/05	48,356
GARLOCK & Caliper Design	06/25/57	647,488
GARLOCK & Design	04/05/66	806,599
GARLOCK & Design	03/12/57	642,595
GARLOCK & Design	07/25/1893	23,420
GARLOCK CD	02/22/00	2,320,392
GARLOCK CONTROLLED DENSITY	01/04/00	2,305,538
GARLOCK GASKETS and Design	09/04/01	2,484,562
GARLOCK.NET & Design	06/14/00	76/069,003
GARLOCK SEALING TECHNOLOGIES	06/29/99	2,257,557
GARLOCK TECHFLEX	06/13/00	2,358,432
GARPHIL	09/21/82	1,209,712
GARTHANE	05/01/73	958,129
GRAPH-LOCK	10/23/84	1,301,678
GYLON	11/26/68	860,761
IFG	12/15/98	2,210,413
ISO-GARD	12/29/98	2,213,897
KLOZURE (Stylized)	04/12/49	508,591
LATTICE BRAID (Stylized)	04/07/53	572,833
LUBALL & Design	05/21/40	378,035
LUBRIKUP & Design	01/16/90	1,577,765
MARBLOCK	09/17/63	756,832
MARINEPAK	08/27/68	855,561
MASTERFLEX	07/25/00	2,370,665
MECHANIPAK	09/13/55	612,198
MICRO-TEC	10/13/98	2,195,686
MILL-RIGHT (Stylized)	06/12/90	1,600,832

<u>TRADEMARK</u>	<u>DATE OF REGISTRATION OR APPLICATION</u>	<u>APPLICATION OR REGISTRATION NUMBER</u>
MODEL 64	07/20/99	2,262,022
MULTIFACTURING	12/14/65	800,512
P/S	03/13/62	728,548
PACKMASTER	11/13/84	1,305,022
PLAST-O-LON	03/07/72	930,297
PLASTI-THREAD	05/05/64	769,027
PLASTI PAK	06/17/69	871,317
QUICKBUSHING	01/26/99	2,220,012
QUICKSET	09/08/98	2,187,387
SIGNUM	04/29/97	2,057,119
SHIPSET	06/01/99	2,250,480
SLUDGE-PAK (Stylized)	11/27/90	1,624,844
STABL-LOCK	11/02/99	2,289,995
STRESS SAVER	12/22/98	2,213,501
SYNTHEPAK	05/10/83	1,237,326
THE SEAL CIRCUIT	07/02/96	1,983,797
THERMO-SURE	08/24/99	2,272,020
UNI-CARTRIDGE	12/05/78	1,107,793
VIBLON	08/12/97	2,087,845

SCHEDULE B

TO

TRADEMARK SECURITY AGREEMENT

Dated as of May 31, 2002

TRADEMARK LICENSES

1. License Agreement, dated September 17, 2001 between Ashbridge & Roseburgh, Inc. and Garlock Sealing Technologies LLC (f/k/a Garlock, Inc.) regarding replaceable lip seal technology and related patent applications.
2. Patent License and Distribution Agreement, dated as of April 5, 1994, between Nippon Pillar Packing Co., Ltd. and Garlock Sealing Technologies LLC.
3. Garlock Sealing Technologies LLC is in the process of entering into a research agreement with Goodrich Corporation or one of its subsidiaries for the purpose of developing new sealing technologies. Intellectual property developed by the parties under this agreement shall be jointly owned by the parties, subject to certain exclusive fields of use for each party.

SCHEDULE C

TO

TRADEMARK SECURITY AGREEMENT

Dated as of May 31, 2002

1. Garlock Sealing Technologies LLC is in the process of entering into a research agreement with Goodrich Corporation or one of its subsidiaries for the purpose of developing new sealing technologies. Intellectual property developed by the parties under this agreement shall be jointly owned by the parties, subject to certain exclusive fields of use for each party.

EXHIBIT A

FORM OF ASSIGNMENT

ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT OF TRADEMARKS ("Assignment") is made as of May __, 2002 by and between [-----] ("Assignor"), in favor of BANK OF AMERICA, N.A., having an office at [-----] as Agent for Lenders ("Assignee").

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Trademark Security Agreement dated as of May __, 2002 made by Assignor to Assignee (the "Agreement") providing that under certain conditions specified therein Assignor shall execute this Assignment; and

WHEREAS, the aforementioned conditions have been fulfilled;

NOW THEREFORE, Assignor hereby agrees as follows:

1. Assignment of Trademarks. Assignor hereby grants to Assignee its entire right, title and interest in and to (a) the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages, payments and other proceeds now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world and all products and proceeds of the foregoing (all of the foregoing are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"), (b) the goodwill of Assignor's business connected with and symbolized by the Trademarks and (c) all rights now owned or hereafter acquired by Assignor under any written agreement granting any right to use any other Person's registered trademarks (the "Trademark Licenses"), including those listed on Schedule B attached hereto and made a part hereof. The Trademarks, Trademark Licenses and such goodwill are collectively referred to herein as the "Collateral".

2. Representations and Warranties. Assignor represents and warrants that it has the full right and power to make the assignment of the Collateral made hereby and that it has made no previous assignment, transfer, agreement in conflict herewith or constituting a present or future assignment or encumbrance of any or all of the Collateral, except as permitted by the Agreement.

3. Modification. This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

Exhibit A-1

4. Binding Effect; Governing Law. This Assignment shall be binding upon Assignor and its successors and shall inure to the benefit of Assignee and its successors and assigns. This Assignment shall, except to the extent that federal law or laws of another state apply to the Collateral or any part thereof, be governed by and construed in accordance with the internal (as opposed to the conflict of laws provisions) and decisions laws of the State of North Carolina.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered as of the date first above written.

[-----],
as Assignee

By: _____

Name: _____

Title: _____

Exhibit A-2

SCHEDULE A

Trademarks

Trademark Registraton
Number or Applicaton
Serial Number

Registration or
Filing Date

Exhibit A-3

SCHEDULE B

TRADEMARK LICENSES

Name of Agreement

Parties

Date of Agreement

Exhibit A-4

CH_DOCS\402184.1[W2000]

RECORDED: 09/16/2002

**TRADEMARK
REEL: 002573 FRAME: 0914**