

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

(Rev. 6-93)
OMB No. 0651-0011 (exp. 4/94)

06-17-2010



6-16-10

103599900

To the Honorable Commissioner of Patents and Trademarks: Please record the attached

1. Name of conveying party(ies):
Bank of America as successor by merger to LaSalle Business Credit, LLC

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other _____

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other **Release of Security Interest**

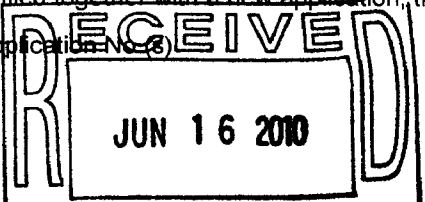
Execution Date: June 10, 2010

2. Name and address of receiving party(ies):
Name: Farrel Corporation
Internal Address: _____
Street Address: 25 Main Street
City: Ansonia State: CT. ZIP: 06401

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State Delaware
 Other _____

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

4. Application number(s) or registration number(s):
If this document is being filed together with a new application, the execution date of the application is: _____

A. Trademark Application No. (s) _____


B. Trademark Registration No. (s) 551425; 1707506; 1707895; 1261470; 2680974; 1547079; 1698780; 2563138; 2625938; 2643737; 2529285; and 2529286

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: George W. Rauchfuss, Jr.
Internal Address: Ohlandt, Greeley, Ruggiero & Perle, L.L.P.
Street Address: One Landmark Square, 10th Floor
City: Stamford State: CT ZIP: 06901

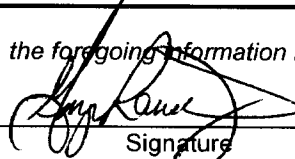
6. Total number of applications and registrations involved: 12

7. Total fee (37 CFR 3.41).....\$ 315.00
 Enclosed (ck # 1947)
 Authorized to be charged to Deposit Account

8. Deposit Account number: 01-0467
(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.

George W. Rauchfuss, Jr.
Name of person signing  Signature

_____ Date June 15, 2010

Total number of pages including cover sheet, attachments, and document: 12

06/16/2010 MAMA) 00000016 551425
01 FC:8521 40.00 DP
02 FC:8522 275.00 DP

Mail documents to be recorded with required cover sheet information to:

Mail Stop: Assignments Recordation Services

Director of Patent & Trademark Office, P.O. Box 1450; Alexandria, VA 22313-1450

TRADEMARK

REEL: 004226 FRAME: 0524

TERMINATION, RELEASE AND INDEMNIFICATION AGREEMENT, dated as of June 10, 2010 (this "Termination Agreement"), executed in connection with that certain **LOAN AND SECURITY AGREEMENT**, dated as of February 26, 2007 (as amended, supplemented, restated or otherwise modified from time to time, the "Financing Agreement"), by and between **FARREL CORPORATION**, a Delaware corporation ("Borrower") and **BANK OF AMERICA, N.A.**, a national banking association, as successor-by-merger to **LASALLE BUSINESS CREDIT, LLC** (the "Lender"). Terms which are capitalized in this Termination Agreement and not otherwise defined herein shall have the meanings ascribed to such terms in the Financing Agreement.

WHEREAS, the Borrower has notified the Lender of its intention to terminate the Financing Agreement and all Other Agreements, and to pay and satisfy in full in immediately available funds all outstanding Liabilities (other than the Letter of Credit Obligations), including without limitation, all interest accrued thereon, and all costs, fees and expenses payable in connection therewith, on or about the date hereof; and

WHEREAS, concurrently with such termination and payment, **COMMERZBANK AG**, New York Branch ("New Lender"), is entering into a financing agreement with the Borrower (the "New Credit Agreement"); and

WHEREAS, the parties hereto wish to set forth their understanding with respect to (i) the payment and satisfaction in full of the Liabilities, the calculation thereof, and the method of payment thereof, (ii) the termination of the Financing Agreement and the Other Agreements and the termination and release by the Lender of all liens and security interests in its favor in the assets and properties of the Borrower, (iii) the exchange of mutual releases by and between the Borrower and the Lender, (iv) the establishment of the Letter of Credit Cash Reserve (as defined in paragraph 5 below), (v) the establishment of the Indemnity Reserve (as defined in paragraph 6 below) and (vi) the indemnification of the Lender by the Borrower with respect to certain contingent obligations.

NOW, THEREFORE, in connection with the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Payment of Liabilities. The Borrower has advised the Lender that the date of repayment of the Liabilities shall be June 10, 2010 (the "Payout Date"). Assuming that payment is received by the Lender by 2:00 p.m. Eastern Standard Time on the Payout Date, the total amount of all Liabilities and other amounts to be paid the Lender shall equal the total amount set forth at the end of Schedule A annexed hereto, adjacent to the words "Payout Amount" (the "Payout Amount"). Payment of the Payout Amount, including the portion thereof which constitutes the estimated fees and disbursements of the Lender's legal counsel, shall be effectuated by the wire-transfer of same day funds in U.S. dollars directly to the Lender at its bank account, as follows:

Name of Bank: Bank of America, N.A.
ABA# 026009593
Account # 9401743041
Account Name: Chicago Collections Account
For the credit of: Farrel Corporation

2. Termination of Financing Agreement and Other Agreements; Release and Reassignment of Liens. Effective upon the Lender's timely receipt on the Payout Date of (a) the Payout Amount, (b) the Letter of Credit Cash Reserve, as defined in Paragraph 5, (c) the Indemnity Reserve, as defined in Paragraph 6(b) and (d) a counterpart of this Termination Agreement, executed by each party hereto (collectively, the "Release Conditions"): (i) the Financing Agreement, all commitments thereunder, and all Other Agreements, are each automatically terminated and cancelled by mutual consent, (ii) all indebtedness, liabilities and other obligations of Borrower to the Lender are satisfied in full (other than those obligations which shall continue after the Payout Date in accordance with Paragraphs 4, 5 and 6 of this Termination Agreement), (iii) the Lender reassigns to Borrower, with respect to each item of property in which Borrower has previously granted to the Lender a lien or security interest as collateral security for the Liabilities arising under or relating to the Loan Documents (collectively the "Collateral"), without recourse, representation or warranty, all such liens and security interests so granted, (iv) all liens upon and security interests in the Collateral are automatically terminated, and (iv) the Lender terminates all of its right, title and interest in the Harburg Letter of Credit and consents to its immediate cancellation by the issuer thereof, provided, however, that the reassignment and termination provisions contained in clauses (iii) and (iv) above do not include or apply to the Letter of Credit Cash Reserve or the Indemnity Reserve. In addition, automatically upon the satisfaction of the Release Conditions, the Lender terminates all right, title and interest it may have in and to all third-party documents executed or delivered from time to time to the Lender with respect to Borrower. Promptly following the satisfaction of the Release Conditions, the Lender shall deliver to the Borrower (a) a fully executed Termination and Release of Security Interests in Patents and Trademarks, in the form of Exhibit A annexed hereto (the "IP Release"), and (b) the Harburg Letter of Credit.

3. Authorization to Record Termination Statements; Recordation of IP Release. Effective upon the satisfaction of the Release Conditions, the Lender hereby authorizes Borrower and New Lender, or their respective attorneys, agents or designees, to record or file, as applicable, with the appropriate filing or recording offices (a) the IP Release and (b) any and all financing statements necessary to terminate all UCC-1 financing statements of record, covering any Collateral, in which the Lender is named as secured party and Borrower is named as debtor.

4. Mutual Release. Effective upon the satisfaction of the Release Conditions, the Lender hereby releases and discharges Borrower, and its successors and assigns, and Borrower hereby releases and discharges the Lender, and its successors and assigns, of and from all claims, demands, debts, accounts, contracts, Liabilities, actions and causes of action, whether in law or in equity, which any party ever had, now has, or hereafter may have against the other, directly or indirectly arising out of or in any way relating to the Financing Agreement, the Other Agreements, any amendments thereto, any instrument, document or agreement executed or delivered in connection therewith, and any transaction relating thereto, except (i) to the extent

that any provision contained in the Financing Agreement or in any Other Agreement, by its terms, specifically provides that a referenced Liability survives the payment of monetary obligations owing by Borrower to the Lender, as to which Borrower shall continue to be liable after the date of this Termination Agreement, in accordance with the terms of such provision, (ii) to the extent that the Letter of Credit described in paragraph 5 remains outstanding, Borrower shall continue to be liable after the date of this Termination Agreement in accordance with the terms of paragraph 5, and (iii) with respect to the indemnity obligations of Borrower described in paragraph 6 hereof, as to which Borrower shall continue to be liable after the date of this Termination Agreement, in accordance with the terms of paragraph 6.

5. Outstanding Letter of Credit; Letter of Credit Cash Reserve. As of the date hereof, the Borrower is the account party with respect to an outstanding irrevocable letter of credits, number 68034968, the benefit of Pirelli Pneus LTDA having a current expiry date of 6/15/10 and a current undrawn balance of \$118,202.00, number 68048147 for the benefit of Aigle International S.A. having a current expiry date of 9/30/10 and a current undrawn balance of \$54,000.00, number 68034970 for the benefit of Helvoet Pharma Italia SRL having a current expiry date of 10/9/10 and a current undrawn balance of \$143,300.00, number 68026021 for the benefit of Petrochina International having a current expiry date of 7/31/11 and a current undrawn balance of \$11,390.50, number 68034969 for the benefit of China National Scientific having a current expiry date of 9/15/11 and a current undrawn balance of \$7,960.00 collectively the "Letter of Credit" having an aggregate undrawn balance of \$334,852.50. The Borrower hereby agrees to (a) reimburse the Lender for any payment or disbursement made by the Lender in respect of the Letter of Credit, including any drawing honored by the Lender with respect to the Letter of Credit, and (b) pursuant to Section 3 of the Financing Agreement, pay the Lender for any charges, fees, commissions, costs and expenses owing in connection with the Letter of Credit, which reimbursement and payment obligations described in (a) and (b) above shall be irrevocable and not subject to any qualification or exception whatsoever (the foregoing obligations, the "Letter of Credit Obligations"). To secure the prompt and complete payment, performance and observance of the Letter of Credit Obligations, and to compensate the Lender in connection with the continued existence of the Letter of Credit after the Payout Date, upon execution hereof by Borrower, as a condition to the effectiveness of this Termination Agreement, the Borrower hereby pledges and delivers to the Lender, and hereby grants a lien and security interest to the Lender in, cash collateral in an amount equal to one hundred five percent (105%) of the aggregate undrawn amount of the outstanding Letter of Credit (the "Letter of Credit Cash Reserve"). If the Borrower does not promptly reimburse the Lender for any payment or disbursement made by the Lender in respect of the Letter of Credit Obligations, the Lender shall be entitled to reimburse itself for such payment or disbursement by debiting the Letter of Credit Cash Reserve in an amount equal to the amount of such payment or disbursement, without notice to the Borrower. By its execution hereof, the Borrower hereby agrees that with respect to both the Letter of Credit Cash Reserve and the Indemnity Reserve described in paragraph 5 (b) hereof (collectively the "Reserves"): (a) the Reserves shall be held by the Lender in a non-interest bearing account in the Lender's name or in such other manner as the Lender shall elect, (b) the Lender shall not have any obligation to invest all or any part of the Reserves, (c) the Borrower shall have no dominion or control whatsoever over any part of the Reserves or any account in which all or any part thereof is maintained, and (d) beyond the exercise of reasonable care to assure the safe custody of the Reserves in the physical possession of the Lender, the Lender shall not have any duty or liability to protect or preserve the Reserves, and shall be relieved of all

responsibility for the Reserves upon surrender thereof pursuant to the immediately succeeding sentence. Upon satisfaction in full of the Letter of Credit Obligations and termination, expiration and/or surrender to the Lender of the outstanding Letter of Credit, any then remaining balance of the Letter of Credit Cash Reserve shall promptly be surrendered by the Lender, and delivered by it to New Lender (and the Borrower irrevocably authorizes and instructs Lender to make such transfer). On the Payout Date, the Borrower shall deliver, or cause the delivery of, the amount of the Letter of Credit Cash Reserve to the Lender by wire-transfer of same day funds in U.S. dollars to the bank account of the Lender, pursuant to the same wiring information contained in paragraph 1 hereof.

6. Indemnity; Indemnity Reserve; Further Assurances. (a) The Borrower agrees, irrevocably and unconditionally, to indemnify the Lender, and hold the Lender harmless against, and to immediately pay to the Lender upon its demand for (x) any amounts owing to Lender under or relating to the Financing Agreement, in excess of the Payoff Amount, arising from clerical or computer error in respect of the calculation of the Payoff Amount, and (y) the amount of all checks and other instruments for the payment of money (plus ordinary and customary service, protest or other bank charges or other ordinary and customary charges or fees relating thereto), which checks and instruments have been (i) received by the Lender on or before the Payout Date and (ii) credited to any account of Borrower with the Lender for the purpose of computing the Payout Amount and which the Lender is unable for any reason to collect or which the Lender is for any reason compelled to surrender to any person because such payment is determined to be void or voidable as a preference, an impermissible setoff, a diversion of trust funds or for any other reason (collectively, the "Returned Items"), provided that demand for any such payment shall be made by Lender within ninety (90) days from the date hereof. Borrower agrees to pay interest thereon from the date such Returned Item was paid to the date of payment by such Borrower at the rate that would have been applicable under the Financing Agreement.

(b) As collateral security for all obligations, indebtedness and liabilities owing to the Lender with respect to (i) any Returned Items, as defined in paragraph (a) above and (ii) all amounts owing by the Borrower to the Lender which by virtue of clerical or similar error are not reflected in the calculation of the Payoff Amount or which, in the case of estimated out-of-pocket expenses of the Lender, are determined after the date of this Termination Agreement to have been inadequately reflected in such calculation (collectively the "Reimbursement Obligations"), the Borrower hereby pledges and assigns to the Lender, and grants to the Lender a continuing security interest in and lien upon, all of its right, title and interest in and to cash in the amount of 9,000.00 (the "Indemnity Reserve"). The Lender may at any time and from time to time, and without notice to the Borrower or to any other party (any such notice being hereby expressly waived) set off, charge and/or apply all of the Indemnity Reserve against and on account of the Reimbursement Obligations as they come due. Any balance of the Indemnity Reserve remaining after one hundred and twenty (120) days have elapsed from the date of this Termination Agreement shall be delivered to the New Lender, in accordance with the Borrower's instructions. Should the Borrower's Reimbursement Obligations exceed the Indemnity Reserve (the "Excess"), the Borrower shall remain liable to the Lender for such Excess and shall immediately pay any such Excess to Lender upon demand. On the Payout Date, the Borrower shall deliver, or cause the delivery of, the amount of the Indemnity Reserve to the Lender by wire-transfer of same day funds in U.S. dollars to the bank account of the Lender, pursuant to the same wiring information contained in paragraph 1 hereof.

7. General Provisions. (a) The Lender agrees promptly to do all things which may be reasonably requested by Borrower or New Lender to further effect and evidence of record the release and reassignment described in paragraph 2 hereof, subject to the prior indefeasible payment in full by the Borrower to the Lender of all of the Lender's out-of-pocket costs and expenses (including, without limitation, all reasonable fees and expenses of counsel) incurred in connection therewith.

(b) This Termination Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same Termination Agreement.

(c) All notices and demands given or made under this Termination Agreement shall be in writing, and shall be delivered by messenger, first class or overnight mail, or by facsimile transmission followed by delivery by messenger, first class or overnight mail, as follows:

if to the Lender, then to:

Bank of America Business Credit
1600 John F. Kennedy Boulevard
Suite 1200
Philadelphia, PA 19103
Attn: Richard Preskenis
Fax No.: (267) 675-0175

if to Borrower then to:

Farrel Corporation
25 Main St.
Ansonia, CT 06401-1601
Attn: Paul M. Zepp


(d) THIS TERMINATION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

IN WITNESS WHEREOF, each of the parties hereto has executed this Termination Agreement as of the day and year first set forth above.

**BANK OF AMERICA, N.A., as successor
by merger with LaSalle Business Credit LLC**

By: 
Name: Richard J. Preskenis
Title: Vice President

FARREL CORPORATION

By: 
Name: Paul M. Zerr
Title: VP & CFO

Signature Page to Termination, Release and Indemnification Agreement

SCHEDULE A

Calculation of Payout Amount

Outstanding principal balance of Revolving Loans	\$ 796,464.79
Accrued interest on Revolving Loans	\$ 1,155.43
Outstanding principal balance of Term Loan	\$ 2,888,500.00
Accrued Interest on Term Loan	\$ 3,126.10
Unused Line Fee	\$ 690.10
Letter of Credit Fees	\$ 279.04
Servicing Fee	\$ 15.00
Breakage Fee	\$ 115,500.00
Legal Fees (estimated)	\$ 3,500.00
	<hr/>
Payout Amount	\$ 3,809,230.46
Letter of Credit Cash Reserve	\$ 351,595.13
Indemnity Reserve	\$ 9,000.00
TOTAL AMOUNT TO BE WIRED TO LENDER	\$ 4,169,825.59

EXHIBIT A

TERMINATION AND RELEASE OF SECURITY INTEREST

This Termination and Release of Security Interest is effective as of June 10, 2010, by BANK OF AMERICA, N.A., as successor by merger with LASALLE BUSINESS CREDIT, LLC ("the Lender").

WHEREAS, (i) a certain Patent Security Agreement, dated as of February 26, 2007 (the "Patent Security Agreement"), was executed in favor of the Lender by Farrel Corporation, a Delaware corporation (the "Borrower"), and (ii) a certain Trademark Security Agreement, dated as of February 26, 2007 (the "Trademark Security Agreement"), was executed in favor of the Lender by the Borrower, pursuant to which the Borrower granted to the Lender a security interest in certain of the Borrower's assets, including its Patents and Trademarks, as respectively defined in the Patent Security Agreement and the Trademark Security Agreement, and as set forth in the Annex attached hereto; and

WHEREAS, the Patent Security Agreement was recorded with the United States Patent and Trademark Office on February 28, 2007 at Reel/Frame 18934/0911 and the Trademark Security Agreement was recorded with the United States Patent and Trademark Office on February 28, 2007 at Reel/Frame 3489/0744.

NOW, THEREFORE, intending to be legally bound hereby, the Lender hereby releases and terminates any and all rights, title and interests in and to the Patents and Trademarks, and hereby authorizes the Borrower or Borrower's authorized representative to record this Termination and Release of Security Interest with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, the Lender duly executes this Termination and Release of Security Interest, which is effective as of the day and year first written above.

BANK OF AMERICA, N.A., as successor
by merger with LaSalle Business Credit, LLC

By: 

Name: Richard J. Preskenis

Title: Vice President

Annex

I. Patents

U.S. PATENTS

Farrel ID	Description	Expiration Date	Patent No.
F4004	Optimized Four-Wing Non-Intermeshing Rotors for Mixing Machines	04/12/2008	4834543
F4008	One-Piece Cylindrical Extruder Barrel Assembled With Eccentric Converging Hopper For Receiving Molten Plastic	06/06/2011	5261740
F4011	Method of Making Rotors For Two-Rotor Continuous Mixers And Method of Assembly	06/18/2013	5526566
F4011A	Convenient Access For Clean-Out And Maintenance Of Mixing Chamber And Both Rotors In Two-Rotor Continuous Mixers	01/17/2012	5382089
F4013	Rotor Zone Cooling Method And Apparatus For Rotors In Continuous Mixers Of Plastic Materials	06/07/2011	5180225
F4014	Greased Journal Bearing Assemblies With Thermal Insulation And Cooling In Continuous Mixers Of Plastic Materials	06/07/2011	5259671
F4017	Multi-Screw Continuous Mixing & Kneading Machine For Plasticizable Compounds	03/23/2012	5267788
F4018	Coupling Mechanism for Quickly Axially Aligning Rotor to Journals	05/16/2007	5415492
F4019	Multi-Screw, Extrusion Compounding Machine With Modular Mixing Units	06/03/2014	5487602
F4021	Four Wing, Non-Intermeshing Rotors For Synchronous Drive To Provide Improved Dispersive And Distributive Mixing In Internal Batch Mixers	07/24/2021	6494607
F4022	Internal Batch Mixing Machines And Rotors	03/25/2019	6402360

114727.01037/6921895v.2

PATENT APPLICATIONS

<u>Farrel ID</u>	<u>Description</u>	<u>Application Date</u>	<u>App. No.</u>
F4024	Keel Type Ram For Use In Internal Batch Mixers With Tangential Rotors	01/30/2006	11/343820

II. Trademarks

U.S. TRADEMARK REGISTRATIONS

<u>Farrel ID</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Date Registered</u>
(e) FTM01	(f) FARREL	(g) 551425 (h) 1707506 (i) 1707895	(j) Dec. 4, 1951 Aug. 11, 1992 Aug. 18, 1992
(k) FTM02	(l) FARREL-IN-SHIELD	(m) 1261470	(n) Dec. 20, 1983
(o) FTM04	(p) BANBURY	(q) 2680974	(r) Jan. 28, 2003
(s) FTM06	(t) FARREL IN RED SHIELD	(u) 1547079	(v) July 11, 1989
(w) FTM09	(x) TECNOLAB	(y) 1698780	(z) July 7, 1992
(aa) FTM11	(bb) ECO-GLAND	(cc) 2563138	(dd) April 23, 2002
(ee) FTM13	(ff) ULTIMA	(gg) 2625938	(hh) Sept. 24, 2002
(ii) FTM15	(jj) ADVEX	(kk) 2643737	(ll) Oct. 29, 2002
(mm) FTM16	(nn) COFLOW4	(oo) 2529285	(pp) Jan. 15, 2002
(qq) FTM17A	(rr) INTERFLOW	(ss) 2529286	(tt) Jan. 15, 2002

TRADEMARK APPLICATIONS

NONE

114727.01037/6921895v.2