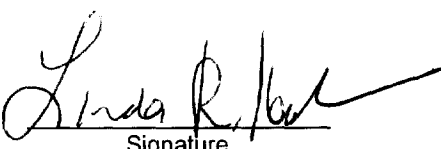


9-16-2002

09-16-2002

Form PTO-1595 (Rev. 03/01)		REC		U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office	
OMB No. 0651-0027 (exp. 5/31/2002)		102222733			
Tab settings ⇌ ⇌ ⇌ ▼ ▼ ▼ ▼ ▼ ▼ ▼					
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.					
1. Name of conveying party(ies): Coltec Industrial Products LLC			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		
Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No					
3. Nature of conveyance: ☐ Assignment ☐ Merger ☒ Security Agreement ☐ Change of Name ☐ Other _____					
Execution Date: 05/31/02			Additional name(s) & address(es) attached? ☐ Yes ☒ No		
4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: _____ A. Patent Application No.(s) _____ See Exhibit A attached hereto. B. Patent No.(s) _____ See Exhibit A attached hereto. Additional numbers attached? ☒ Yes ☐ No					
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 patents involved: 9 7. Total fee (37 CFR 3.41).....\$ 360.00 ☒ 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 9/13/02 Date		
Total number of pages including cover sheet, attachments, and documents: 27					

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

PATENT
 REEL: 013269 FRAME: 0660

EXHIBIT A

Continuation of Item 4

**PATENT OR
APPLN. NUMBER**

5,501,827

5,567,121

5,697,390

5,722,667

6,202,981

09/176,170

09/733,142

09/759,779

09/922,776

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (the "Agreement") is made and entered into as of May 31, 2002 by Coltec Industrial Products 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. In order to secure the payment of all Obligations and all liabilities of all of Debtor's Obligations under the Credit Agreement (collectively, the "Secured Obligations"), Debtor hereby grants, assigns and conveys 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").

2. Collateral. The Collateral is:

(a) all of Debtor's United States patents, patent registrations and United States patent applications including, without limitation, the patents and patent applications listed on Schedule A attached hereto and made a part hereof, and the innovations and improvements described and claimed therein, and patentable inventions, and (i) all reissues, divisions,

continuations, renewals, extensions and continuations-in-part of any of the foregoing, (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 patents and patent 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 "Patents"); and

(b) 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 patents or United States patent applications (the "Patent Licenses"), including those listed on Schedule B attached hereto, to the extent permitted thereunder; and

(c) 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 Patent Licenses that contain an enforceable restriction on Debtor's right to grant the security interest to the 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. 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, the Credit 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 Patent), 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 Patents or any part thereof after the occurrence of an Event of Default.

4. New Patents. Debtor represents and warrants that the Patents listed on Schedule A constitute all of the patents and patent 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 patents or new patentable inventions used in the United States, or (ii) (a) become entitled to the benefit of any patent application, patent or patent registration in the United States or any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent or (b) become entitled to the benefit of any U.S. registered patents used in the United States, the provisions of Section 1 shall automatically apply thereto and Debtor shall give to Agent prompt written notice thereof in accordance with the provisions of the Credit Agreement. Debtor hereby authorizes Agent to

modify this Agreement by amending Schedule A and B to include any future patents, patent registrations and patent applications that are Patents under Section 2 or under this Section 4. 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 Patent Licenses and patent applications for registration in the United States Patent and Trademark Office and to execute amendments and provide new schedules as Agent shall request.

5. Additional Representations and Warranties. Except as set forth on Schedule 5, 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 Patents so long as the Patents shall continue in force, free from any lien, in favor of any person or entity, including, without limitation, group rights and covenants by Debtor not to sue third parties.

(b) It has the full right and power to enter into this Agreement and perform the terms hereof.

(c) Except 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 Patents.

(d) 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 Patents (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 Patents which would materially and adversely affect the fair market value of the Patents or the material benefits of this Agreement granted to Agent and Lenders, including, without limitation, the remedies of Agent hereunder and Debtor will continue to maintain monitoring and enforcement practices which fully and adequately protect the Patents. Debtor has advised Agent of its patent monitoring and enforcement practices, in accordance with reasonable business practices.

(f) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or part, except for any such judgment that does not materially and adversely affect Agent or Lenders or otherwise materially affect the manufacture, processing, production, sale or disposition of any material portion of Debtor's inventory.

(g) To the best of Debtor's knowledge, each of the Patents is valid and enforceable, except where any failure to be valid or enforceable does not materially and adversely affect the Agent or the Lenders or otherwise materially affect the manufacture, processing, production, sale or disposition of any material portion of Debtor's inventory.

6. License; Royalties; Term. Debtor hereby grants to Agent a non-exclusive, assignable right and license, during the existence of an Event of Default, (i) under each Patent to use such Patent and (ii) under any Patent License held by Debtor with respect to Patents owned by any person or entity other than Debtor to the extent permitted under such License, and to sell Collateral bearing or produced with the use of any such Patents to the extent that such license is reasonably necessary to permit or to facilitate the collection, after an Event of Default, of any accounts of Debtor or the disposition, after an Event of Default, of any Collateral (the "License"). Each License shall be without royalty or any other payments or fees by Agent or Lenders to Debtor (unless otherwise provided for in any Patent License) and the permitted use by Agent thereunder (i) shall be worldwide and (ii) shall be limited only by those restrictions to which Debtor is subject under the Patents and Patent Licenses.

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 Patents, 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.

7. Duties of Debtor. Debtor shall (i) prosecute, in its reasonable business judgment and to the extent such patents would have material economic value to Debtor in its reasonable business judgment, diligently any patent application that is part of the Patents pending as of the date hereof or thereafter that relates to the manufacture, processing, production, sale or disposition of any material portion of the Debtor's inventory 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 on United States unpatented but patentable inventions, as appropriate in its reasonable business judgment and to the extent such patents 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 patent applications, patents and patent registrations that are part of the Patents, including without limitation the payment of all maintenance fees 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 United States patent application nor any pending United States patent application if it determines in its reasonable business judgment that such patents would have material economic value and (v) not abandon any given material Patent. Any expenses incurred in connection with the applications referred to in this Section 7 shall be borne by Debtor. Upon the request of the Agent, Debtor shall inform the Agent as to the status of any such applications or proceedings.

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 Patents.

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 a rate equal to the highest interest 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 interest granted herein in the Patents.

8. 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 Patents, 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 in bringing suit under this Section 8.

9. 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 Lenders, any right, power or privilege hereunder or under the Credit Agreement or the other Loan Documents 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.

10. 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 Patent invalid or ineffective, then such provision shall be void ab initio to the extent that the validity or effectiveness of the Patent is thereby preserved and Debtor shall make suitable other valid arrangements to provide Agent and Lenders with equivalent protections to that intended hereby.

11. Amendments and Waivers. Except as set forth in Section 4 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.

12. Remedies. If any Event of Default shall have occurred and be continuing, Agent shall be entitled to exercise in respect of the Patents, in addition to other rights and remedies provided for herein, in the Credit Agreement or 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 ("UCC"), whether or not the UCC applies to the Patents, and also may, without notice except as specified below, sell the Patents 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' 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 Patents 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 Patents 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 Patents 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 interest in the Patents until the Secured Obligations are fully paid. Debtor agrees that Agent and Lenders have no obligation to preserve rights to the Patents against any other parties.

13. Cumulative Remedies; Power of Attorney; Effect on Loan Documents.

All of Agent's rights and remedies with respect to the Patents, whether established hereby, by the Credit Agreement or 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 Patents, 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 Patents as Agent deems in the best interest of Agent, (c) grant or issue any exclusive or non-exclusive license under the Patents to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Patents 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.

14. 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.

15. Binding Effect; Benefits of Agreement. This Agreement 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 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.

16. 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 Patents 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, any Lender 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.

17. 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 appraisalment, 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 Patents. 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 Patents marshalled upon any foreclosure hereof, and agrees that any court having jurisdiction to foreclose this Agreement may order the sale of the Patents 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 Patents) 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 or entity 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 Patents 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 Patents) for any of the Secured Obligations.

18. 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.

19. 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, winding-up, 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.

20. Final Expression. This Agreement, together with the Credit Agreement and 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.

21. 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.

22. 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 Patents hereunder which have not been sold, disposed of, retained or applied by Agent in accordance with the terms hereof or disposed of by Debtor pursuant to the terms of the Loan Documents. 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 patents, and shall be at the expense of Debtor.

23. 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.

24. 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. MAILED 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.

[Next Page is Signature Page]

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

COLTEC INDUSTRIAL PRODUCTS LLC, as
Debtor

By: Scott E. Kuechle
Scott E. Kuechle, Vice President and Treasurer

By acceptance hereof as of the day and year first written above, Agent on behalf of itself and Lenders agrees to be bound by the provisions hereof.

BANK OF AMERICA, N.A., as Agent

By: David M. Anderson
Name: David M. Anderson
Title: SVP

[Signature Page to Patent Security Agreement of
Coltec Industrial Products LLC]

PATENT
REEL: 013269 FRAME: 0672

SCHEDULE A
TO
PATENT SECURITY AGREEMENT

Dated as of May 31, 2002

Patents Owned By Coltec Industrial Products LLC

<u>TITLE</u>	<u>DATE OF ISSUANCE OR FILING</u>	<u>PATENT OR APPLN. NUMBER</u>
Laser Markable Polytetrafluethylene Resin Material and Method of Making	03/26/96	5,501,827
Indicator Ported Valves for Reciprocating Compressors	10/22/96	5,567,121
Process for Producing Filled Polytetrafluorethylene Resin Composite Materials and Products	12/16/97	5,697,390
Seal for Use Between Planar Surfaces	03/03/98	5,722,667
Fluid Control Assembly With Flange Spacer	03/20/01	6,202,981
Indicator Ported Valves for Reciprocating Compressors		09/176,170
Fire Resistant Flange Spacer	09/708,260	
A Valve for Sensing At Lease One Condition Within A Compressor	12/08/00	09/733,142
Profiled Plate Valve	10/18/01	09/759,779
Abrasion Resistant Polytetrafluoroethylene Tape	11/14/01	09/922,776

C-771316v02_16576.00013

SCHEDULE B

TO

PATENT SECURITY AGREEMENT

Dated as of May 31, 2002

1. License Agreement, dated January 1995, between MAN B&W Diesel Aktiengesellschaft and Coltec Industries Inc regarding MAN B&W 4-stroke Diesel and dual fuel engines.
2. License Agreement, dated April 20, 1983, between Societe D'Etudes De Machines Thermiques and Colt Industries Operating Corp, Fairbanks Morse Engine Division regarding Type "PC" Semi-Pielstick Engines.
3. License Agreement, dated July 1, 1997, between Fairbanks Morse Engine, a division of Coltec Industries Inc, and Cooper Cameron – Enviro Design relating to Enviro Design® engines, as amended and revised as of May 15, 2001.
4. License to use the trademark "DELTA PT®" and United States patent application numbers 09/269472 and 09/269473 pursuant to License Agreement, dated November 29, 2000, between Sterling Die Operation, a division of Coltec Industries Inc and EJOT Verbindungstechnik GmbH & Co. KG.
5. License to use the trademark "PT" and "DURO-PT" and United States patent number 4,544,313 pursuant to the Know How and Patent License Agreement, dated June 21, 1990, between Coltec Industries Inc and EJOT Eberhard Jaegar GmbH & Co. KG.
6. License to use the trademarks, "MAThread", "MATPoint", "M.A.T.", and "Misalignment Accomodating Thread" pursuant to License Agreement, dated August 1, 2000, between Sterling Die Operation, a division of B.F. Goodrich Incorporated.
7. License to use specified trademarks, patents and technical information pursuant to the Camcar Standard Mag-Form Patent, Know-How and Trademark License Agreement, effective as of May 5, 2000, between CAMCAR Division of Textron, Inc. and Sterling Die Operations.
8. License to use specified trademarks, patents and technical information pursuant to the TFS Standard Acupoint Patent, Know-How and Trademark License Agreement, effective as of October 8, 2001, between Textron Fastening Systems Inc. and Sterling Die Operations.
9. License to use specified trademarks, patents and technical information pursuant to the Technical Information License Agreement, dated December 7, 1989, between Research Engineering and Manufacturing, Inc. and Sterling Die Operation, an operation of Colt Industries, Inc.

10. License to use specified patents and technical information pursuant to the License Agreement, dated as of May 1, 1987, between Svenska Rotor Maskiner Akteibolag and Quincy Compressor Division of Coltec Industries Inc.

11. License to use specified software pursuant to the Joint Development and Supply Agreement, dated as of October 11, 2000, between Quincy Compressor and Advantier, Inc.

SCHEDULE 5

TO

PATENT SECURITY AGREEMENT

Dated as of May 31, 2002

1. HYCARB® Patent and Trademark License Agreement by and among Coltec Industries Inc, Stemco LLC (f/k/a Stemco Inc) and Borg-Warner Automotive, Inc.

EXHIBIT A

FORM OF ASSIGNMENT

ASSIGNMENT OF PATENTS

THIS ASSIGNMENT OF PATENTS ("Assignment") is made as of _____, 200__ by and between [-----], a Delaware limited liability company ("Assignor"), in favor of Bank of America, N.A. ("Assignee").

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Patent 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 Patents. Assignor hereby grants to Assignee its entire right, title and interest in and to (a) the patents, patent registrations and patent 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 "Patents") and (b) all rights now owned or hereafter acquired by Assignor under any written agreement granting any right to use any other Person's registered patents (the "Patent Licenses"), including those listed on Schedule B attached hereto and made a part hereof. The Patents and Patent Licenses 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.

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.

[-----],
a Delaware limited liability company

By: _____
Name:
Title:

SCHEDULE A

PATENT REGISTRATIONS

<u>Mark</u>	<u>Reg. No.</u>	<u>Date</u>
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PATENT APPLICATIONS

<u>Mark</u>	<u>Serial No.</u>
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SCHEDULE B

PATENT LICENSES

Name of Agreement

Parties

Date of Agreement

BOSTON
BRUSSELS
CHICAGO
FRANKFURT
HAMBURG
HONG KONG
LONDON
LOS ANGELES
MILAN
MOSCOW
NEW JERSEY

Latham & Watkins

ATTORNEYS AT LAW
WWW.LW.COM

NEW YORK
NORTHERN VIRGINIA
ORANGE COUNTY
PARIS
SAN DIEGO
SAN FRANCISCO
SILICON VALLEY
SINGAPORE
TOKYO
WASHINGTON, D.C.

September 16, 2002

FILE NO. 025646-0018

FILE NO.

BY HAND DELIVERY

The Honorable Commissioner of Patents
and Trademarks
United States Patent and Trademark Office
2011 Jefferson Davis Highway
Arlington, VA 22202
Attn: Box Assignments

Re: Coltec Industrial Products LLC/Bank of America, N.A.

Dear Sir or Madam:

Enclosed for immediate recording with your office on Monday, September 16, 2002 please find a Patent Security Agreement by and between the above-referenced entities, together with the required recordation cover sheet and filing fee of \$360.00.

Please file the document immediately and send me a recorded copy, stamped with a reel and page number to my attention, at your earliest convenience.

SEARS TOWER, SUITE 5800 • CHICAGO, ILLINOIS 60606
TELEPHONE: (312) 876-7700 • FAX: (312) 993-9767

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PATENT
REEL: 013269 FRAME: 0681

The Honorable Commissioner of Patents and Trademarks

September 16, 2002

Page 2

Should you have any questions, please call me at (312) 876-7628.

Very truly yours,

A handwritten signature in black ink, appearing to read 'L. Kastner', written over the closing 'yours'.

Linda R. Kastner
Senior Legal Assistant

Enclosures