

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
EFFECTIVE DATE:	10/31/2006		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
MISTRAS HOLDINGS CORP.		10/31/2006	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	BANK OF AMERICA, N.A.		
Street Address:	MA5-100-11-02, 100 Federal Street		
City:	Boston		
State/Country:	MASSACHUSETTS		
Postal Code:	02110		
Entity Type:	INC. ASSOCIATION: UNITED STATES		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	1656028	VIBRA-METRICS	
Registration Number:	2679996	PAC PHYSICAL ACOUSTICS CORPORATION	
CORRESPONDENCE DATA			
Fax Number:	(973)530-2312		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	973-530-2112		
Email:	avishev@wolffsamson.com		
Correspondent Name:	Anna Vishev, Wolff & Samson PC		
Address Line 1:	One Boland Drive		
Address Line 4:	West Orange, NEW JERSEY 07052		
ATTORNEY DOCKET NUMBER:	41004-322		
NAME OF SUBMITTER:	Anna Vishev		
Signature:	/av/		

CH \$65.00 1656028

Date:

11/07/2006

Total Attachments: 20

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TRADEMARK AND PATENT SECURITY AGREEMENT

THIS TRADEMARK AND PATENT SECURITY AGREEMENT (this "Agreement") is dated October 31, 2006 by and among MISTRAS HOLDINGS CORP., a Delaware corporation having an address of 195 Clarksville Road, Princeton, New Jersey 08540 (the "Borrower") and CONAM INSPECTION AND ENGINEERING SERVICES, INC., a Delaware corporation having an address of 195 Clarksville Road, Princeton, New Jersey 08540 and PHYSICAL ACOUSTICS CORP., a Delaware corporation having an address of 195 Clarksville Road, Princeton, New Jersey 08540 (the "Guarantors", and, together with the Borrower, the "Grantor") and BANK OF AMERICA, N.A., a national banking association organized and existing under the laws of the United States of America having an address at MA5-100-11-02, 100 Federal Street, Boston, Massachusetts 02110, as collateral agent (in such capacity, together with its successors in such capacity, the "Agent") for the lenders now or hereafter party to the Credit Agreement (as hereinafter defined) (individually, a "Lender" and, collectively, the "Lenders").

RECITALS

A. Concurrently herewith, the Borrower, the Agent, JPMorgan Chase Bank as Co-Lead Bookrunner and the Lenders are entering into a Credit Agreement (the "Credit Agreement") pursuant to which the Agent and the Lenders have agreed, subject to the terms and conditions set forth therein, to provide the Borrower with (a) a revolving credit loan in the maximum principal amount of \$15,000,000 (the "Revolving Loan") and (b) a term loan in the original principal amount of \$25,000,000 (the "Term Loan" and, together with the Revolving Loan, the "Loans").

B. Pursuant to the Credit Agreement, the Borrower is concurrently herewith executing and delivering to the Lenders (a) revolving notes in the maximum aggregate principal amount of \$15,000,000 to evidence the Revolving Loan, as such notes may be amended or replaced from time to time, and (b) term notes in the original aggregate principal amount of \$25,000,000 to evidence the Term Loan, as such notes may be amended or replaced from time to time (together with all modifications to, extensions of, and substitutions for the foregoing, the "Notes").

C. In order to induce the Lenders to enter into the Credit Agreement and to make the Loans to the Borrower contemplated thereby, and to secure the payment of all principal, interest and other amounts under the Loans, the Grantor has agreed to mortgage, pledge and grant to the Agent, for the ratable benefit of the Lenders, a security interest in all of its right, title and interest in, to and under all patents, trademarks and related rights owned or held by the Grantor, all on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

AGREEMENT

1. **Definitions.** Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Credit Agreement. In addition, the following terms when used in this Agreement shall have the definitions given below:

“Collateral” means, collectively, all of the Patents, all of the Trademarks, all of the Patent Licenses, all of the Trademark Licenses and all other rights of the Grantor relating to any of the foregoing.

“Patent Licenses” means, collectively, all existing and future agreements material to the operation of the Grantor’s businesses, whether written or oral, providing for the grant by or to the Grantor of any right to manufacture, use or sell any invention covered by a Patent.

“Patents” means, collectively, all types of exclusionary or protective rights now or hereafter held owned or applied for by the Grantor and granted or pending for inventions in any country of the world (including, without limitation, letters patents, design patents, plant patents, utility models, breeder’s right certificates, inventor’s certificates and the like), including without limitation all of the Patents in Use and the Unused Patents, together with all applications therefor, all renewals, reissues, reexaminations and extensions thereof, all proceeds thereof, all divisions, continuations and continuations-in-part thereof, the right to sue for past, present and future infringements, all rights now or hereafter held or owned by the Grantor corresponding thereto throughout the world and the goodwill of the business utilizing any such patent or other right.

“Patents in Use” means, collectively, all of the Patents and related rights set forth on Schedule A-1 attached hereto and made a part hereof.

“Trademark Licenses” means, collectively, all existing and future agreements material to the operation of the businesses of the Grantor, written or oral, providing for the grant by or to the Grantor of any right to use any Trademark.

“Trademarks” means, collectively, all trademark applications, trademarks (whether registered, unregistered or for which any application to register has been filed), service mark applications, service marks (whether registered, unregistered or for which any application to register has been filed) and tradenames now or hereafter held or owned by the Grantor, including, but not limited to, the Trademarks in Use and the Unused Trademarks, together with all renewals, reissues and extensions thereof, all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights now or hereafter held or owned by the Grantor corresponding thereto throughout the world, and the goodwill of the business symbolized by each such mark and the registrations (if any) thereof.

“Trademarks in Use” means, collectively, all of the Trademarks and related rights set forth on Schedule B-1 attached hereto and made a part hereof.

“UCC” shall mean the Uniform Commercial Code as in effect in any applicable jurisdiction.

“Unused Patents” means, collectively, all of the Patents and related rights set forth on Schedule A-2 attached hereto and made a part hereof.

“Unused Trademarks” means, collectively, all of the Trademarks and related rights set forth on Schedule B-2 attached hereto and made a part hereof.

2. Assignment and Grant of Security Interest. To secure the complete and timely payment and satisfaction of all of the Obligations, the Grantor hereby mortgages, pledges and assigns to the Agent, and grants and conveys to the Agent, for the ratable benefit of the Lenders, a security interest in and to, all of the Grantor’s right, title and interest in, to and with respect to the Collateral.

3. Representations and Warranties. The Grantor hereby represents and warrants as follows:

(a) Schedule A-1 and Schedule A-2 attached hereto and made a part hereof collectively set forth a complete list of all Patents owned or held by the Grantor or to which the Grantor has any colorable claim of ownership.

(b) Schedule B-1 and Schedule B-2 attached hereto and made a part hereof collectively set forth a complete list of all Trademarks owned or held by the Grantor or to which the Grantor has any colorable claim of ownership.

(c) The Grantor does not own any registered copyrights.

(d) The Grantor is the sole and exclusive owner of the entire right, title and interest in the Trademarks in Use and the Patents in Use, free and clear of any liens, pledges, assignments, licensing agreement, franchise agreements or other encumbrances.

(e) Each Patent in Use and Trademark in Use is in full force and effect, and is valid, subsisting and enforceable. Except as set forth on Schedule A-1, No Patent in Use or Trademark in Use has expired, has been abandoned or has been adjudicated to be invalid or unenforceable.

(f) The Grantor has used consistent standards of quality in its manufacture of products and delivery of services sold or provided under the Trademarks.

(g) Except as disclosed on Schedule A-1 and/or Schedule B-1, no holding, decision or judgment has been rendered by any governmental authority which limits, cancels or questions the validity of any Patent in Use or Trademark in Use, and no action or proceeding is pending or, to the Grantor’s knowledge, threatened, which seeks to limit, cancel or threaten the validity of any Patent in Use or Trademark in Use or which, if adversely determined, would

reasonably be likely to have a material adverse effect on the value of any Patent in Use or Trademark in Use.

(h) No person or entity has challenged the Grantor's right to use and enjoy any of the Patents or Trademarks, and the Grantor has not received notice of any claim that the use of any Patent or Trademark violates or may violate the rights of any third person.

(i) The Grantor has the unqualified right to enter into this Agreement and to perform its obligations hereunder the requisite corporate authority and has taken all action necessary to perform its obligations under this Agreement, which has been executed and delivered by, and constitutes the legal, valid and binding obligation of the Grantor, enforceable in accordance with its terms. The execution, delivery and performance of this Agreement by the Grantor does not conflict with, violate or constitute a breach or default under any of the Grantor's Contractual Obligations.

(j) The Grantor does not utilize any Unused Patent or Unused Trademark in any aspect of the conduct or operation of its business, and no Unused Patent or Unused Trademark is necessary for the continuation of the conduct or operation of the Grantor's business as it is now being conducted or operated. To the best of the Grantor's knowledge, the future use by the Grantor of any Unused Patent or Unused Trademark would not violate the rights of any third party.

(k) The Grantor is not aware of any prior use or reference that may render any Patent in Use or any Unused Patent invalid or unenforceable or that may have a material adverse impact on the scope of any claim of any Patent in Use or Unused Patent.

4. Covenants. During the term of this Agreement, the Grantor shall comply with the following covenants:

(a) From time to time, upon the written request of the Agent, and at the sole expense of the Grantor, the Grantor shall promptly and duly execute and deliver such further instruments and documents and take such further action as the Agent may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including without limitation the filing of any financing or continuation statements under the UCC with respect to the liens created hereby. Without limiting the generality of the foregoing, the Grantor hereby irrevocably authorizes the Agent to file any such financing or continuation statement without any further or additional consents or authorizations by, and without any notice to, the Grantor.

(b) The Grantor shall not create, incur or permit to exist, shall take all commercially reasonable actions to defend the Collateral against, and shall take such other commercially reasonable action as is necessary to promptly remove, any lien or claim on or to any portion of the Collateral, other than the Liens created hereby or Liens permitted under the Credit Agreement. The Grantor shall take all commercially reasonable actions to defend the right, title and interest of the Agent, for the ratable benefit of the Lenders, in and to any of the Collateral against the claims and demands of all persons whomsoever.

(c) The Grantor shall not sell, transfer, assign or otherwise dispose of, or attempt,

offer or contract to sell, transfer, assign or otherwise dispose of, any of the Collateral except as permitted under the Credit Agreement.

(d) The Grantor shall provide the Agent with prompt written notice, in reasonable detail, of (i) any lien (other than liens created hereby) on, or claim asserted against, any of the Trademarks or Patents, and (ii) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the Liens created hereunder.

(e) The Grantor (either itself or through licensees) shall, with respect to each Trademark, (i) continue or begin to use such Trademark in order to maintain such Trademark in full force and effect free from any claim of abandonment for non-use, (ii) continue to use consistent standards of quality in its manufacture of products and delivery of services sold or provided under such Trademark, (iii) use reasonable efforts to employ such Trademark with the appropriate notice of registration, (iv) not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Agent, at the Grantor's cost, shall obtain a perfected security interest in such mark pursuant to this Agreement within 30 days after such use or adoption, and (v) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated.

(f) The Grantor shall not do any act, or omit to do any act, whereby any Patent may become abandoned or dedicated.

(g) The Grantor shall promptly notify the Agent if it knows, or has reason to know, that any application relating to any Patent or any Trademark may become abandoned or dedicated, or of any adverse determination or material development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court or tribunal in any country) regarding the Grantor's ownership of any Patent or Trademark or its right to register the same or to keep and maintain the same.

(h) Whenever the Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for any Patent or for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, the Grantor shall report such filing to the Agent in writing within ten business days after such filing. All such Patents and Trademarks, together with the applications therefor and all materials relating thereto, shall automatically be and become part of the Collateral covered by this Agreement. Notwithstanding the foregoing, upon request of the Agent, the Grantor shall execute and deliver any and all reasonably necessary agreements, instruments, documents, and papers as the Agent may request to evidence the Agent's security interest in any newly filed Patent or newly registered Trademark and the goodwill and general intangibles of the Grantor relating thereto or represented thereby. The Grantor hereby constitutes the Agent its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed. The foregoing power of attorney is coupled with an interest and is irrevocable until the Obligations are paid in full.

(i) (i) The Grantor shall take all reasonable and necessary steps to file and pursue each application for a Patent or Trademark, to obtain the applicable Trademark registration or Patent and to maintain each Patent and each Trademark registration in full force and effect, or to obtain restoration of any expired Patents or Trademarks. Such steps shall include, without limitation, the commencement or institution of any proceedings before any tribunal, office or agency in any other country or any political subdivision thereof and the filing of applications for renewal, affidavits of use and affidavits of incontestability, when appropriate.

(ii) Grantor shall not use any Unused Patent or Unused Trademark in any aspect of the conduct or operation of its business unless and until it shall have provided to the Agent evidence, reasonably acceptable to the Agent, that the Grantor has obtained the absolute right to use such Unused Patent or Unused Trademark, free and clear of all liens and encumbrances and rights of others and without infringement on the rights of others.

(j) In the event the Grantor knows or has reason to know that any Patent or Trademark is or has been infringed, misappropriated or diluted by a third party, the Grantor shall promptly notify the Agent in writing, and shall promptly commence or institute an appropriate action for infringement, misappropriation or dilution, or take such other actions as the Grantor shall reasonably deem appropriate under the circumstances to protect such Patent or Trademark and the Agent's interest therein.

5. Grantor's Right to Use Collateral. Provided no Event of Default (as hereinafter defined) has occurred and is continuing, the Grantor shall retain legal and equitable title to the Collateral and shall have the right to use the Collateral, including the Patents and the Trademarks, in the ordinary course of its business, subject to the covenants set forth in Paragraph 4 above.

6. Agent Appointed as Attorney-in-Fact.

(a) The Grantor hereby irrevocably constitutes and appoints the Agent, and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or in its own name, from time to time after the occurrence and during the continuance of an Event of Default in the Agent's sole discretion, for the purpose of carrying out the terms of this Agreement, to take any and all actions and to execute any and all documents and instruments which may be necessary or desirable to realize the full benefits of the Collateral or otherwise to evidence, accomplish, effectuate or implement the intent and purposes of this Agreement.

(b) Without limiting the generality of the foregoing, the Grantor hereby irrevocably gives and grants to the Agent the authority, power and right, on behalf of the Grantor without notice to or assent by the Grantor, to do, at the Grantor's cost and expense, any or all the following at any time and from time to time following the occurrence and during the continuance of an Event of Default:

(i) in the name of the Grantor or its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under, or with respect to, any Collateral, and to file any claim or to take any

other action or proceeding in any court of law or equity or otherwise appropriate for the purpose of collecting any and all such moneys due with respect to such Collateral whenever payable;

(ii) to pay or discharge taxes and liens levied or placed on or threatened against the Collateral, to obtain or maintain any insurance which the Agent deems necessary or advisable and to pay all or part of the premiums therefor and the costs thereof;

(iii) to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Agent, for the ratable benefit of the Lenders, or as the Agent shall otherwise direct;

(iv) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;

(v) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral;

(vi) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to protect or preserve the Collateral, to collect the Collateral or any portion thereof or to enforce any other right in respect of any Collateral;

(vii) to defend any suit, action or proceeding brought against the Grantor with respect to any Collateral;

(viii) to settle, compromise or adjust any suit, action or proceeding described in the preceding clauses (vi) and (vii) and, in connection therewith, to give such discharges or releases as the Agent may deem appropriate;

(ix) to grant or issue any exclusive or non-exclusive license under or with respect to all or any portion of the Collateral to any third person, and to assign any portion of the Collateral (along with goodwill of the business to which such Collateral pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Agent shall in its sole discretion determine; and

(x) generally to sell, transfer, assign, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Agent were the absolute owner thereof for all purposes, and to do, at the Agent's option and the Grantor's expense, at any time, or from time to time, all acts and things which are reasonably necessary to protect, preserve or realize upon the Collateral and the liens of the Agent thereon and to effect the intent of this Agreement, all as fully and effectively as the Grantor might do.

(c) The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be

irrevocable.

(d) The Grantor hereby also irrevocably authorizes the Agent, at any time and from time to time following the occurrence and during the continuance of an Event of Default, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral as shall be necessary or advisable, in the Agent's discretion, in connection with the exercise of any of the Agent's remedies hereunder.

(e) The powers conferred on the Agent hereunder are solely to protect the interests of the Agent and the Lenders in the Collateral and shall not impose any duty upon the Agent to exercise any such powers. The Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither the Agent nor any of its affiliates, partners, officers, directors, employees or agents shall be responsible to the Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

7. Right To Inspect. The Grantor hereby grants to the Agent and its employees and agents the right, upon reasonable prior notice, to visit the Grantor's warehouses, stores and other facilities where products sold or services provided under the Trademarks or Patents are manufactured, inspected, stored or provided, and to inspect and review the products and quality control records relating thereto during normal business hours.

8. Events of Default. Each of the following events shall be and constitute an event of default under this Agreement (each, an "Event of Default"):

(a) The occurrence of any Event of Default (as defined in the Credit Agreement) under the Credit Agreement.

(b) If any representation or warranty made by the Grantor in this Agreement proves to be incorrect or misleading in any material respect at the time when made or deemed made.

(c) If the Grantor shall default in the performance or observance of any covenant or agreement contained in this Agreement and such default shall continue unremedied for 30 days.

9. Remedies.

(a) If any Event of Default shall occur and be continuing, the Agent may exercise, in addition to all other rights and remedies granted to it in this Agreement and in any other Loan Document, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, the Grantor expressly agrees that in any such event the Agent, without demand of performance or other demand, advertisement or notice of any kind (except any notice provisions otherwise contained in this Agreement and the notice specified below of time and place of public or private sale) to or upon the Grantor or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived to the extent permitted by applicable law), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or sell or

otherwise dispose of and deliver the Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange, broker's board or at any of the Agent's offices or elsewhere at such prices as may be reasonable, for cash or on credit or for future delivery without assumption of any credit risk. The Agent shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Grantor which shall be released. The Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any or all of the Collateral or in any way relating to the rights of the Agent hereunder, including reasonable attorneys' fees and legal expenses, to the Agent for payment in whole or in part of the Obligations, in the manner provided in the Credit Agreement, the Borrower remaining liable for any deficiency remaining unpaid after such application, and only after paying over such net proceeds and after the payment by the Agent of any other amount required by any provision of law, need the Agent account for the surplus, if any, to the Grantor. To the extent permitted by applicable law, the Grantor waives all claims, damages, and demands against the Agent arising out of the repossession, retention or sale of the Collateral. Subject to the notice provisions otherwise contained in this Agreement, the Grantor agrees that the Agent need not give more than 10 days' notice (which notification shall be deemed given, when mailed, postage prepaid, addressed to the Grantor at the address set forth in Section 12 hereof) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. The Grantor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which the Agent is entitled, the Grantor also being liable for the reasonable fees of any attorneys employed by the Agent to collect such deficiency.

(b) The Grantor also agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by the Agent with respect to the enforcement of any of the Agent's rights hereunder.

(c) The Grantor hereby waives (i) presentment, demand, protest or any notice (to the extent permitted by applicable law) of any kind in connection with this Agreement or any Collateral, except as otherwise provided herein, (ii) all rights to seek from any court any bond or security prior to the exercise by the Agent of any remedy described herein, (iii) the benefit of all valuation, appraisal and exemption laws, and (iv) all rights to demand or to have any marshalling of assets upon any power of sale granted herein or pursuant to judicial proceedings or upon any foreclosure or any enforcement of this Agreement or any other Loan Document.

10. Indemnification. The Grantor shall, and hereby does, indemnify, defend and hold harmless the Agent from and against any and all losses, costs, damages, expenses and liabilities, including without limitation reasonable legal fees and expenses, incurred or to be incurred by the Agent in connection with, arising out of or relating to (a) the enforcement of this Agreement or the exercise or performance by the Agent of any of its rights or remedies under this Agreement or at law, including without limitation the commencement, institution, prosecution or defense of, or participation in, any action or proceeding relating to the Collateral or the rights of the Grantor or the Agent therein, (b) the payment or discharge by the Agent, in its sole discretion, of any taxes,

reasonable counsel fees, maintenance fees, encumbrances or other amounts relating to the Collateral or (c) the protection, preservation or maintenance of the Collateral. All such amounts shall be payable by the Grantor to the Agent on demand, and shall, until so paid, be added to the principal amount of the Obligations and bear interest at a rate equal to the Default Rate

11. Termination. Upon the irrevocable payment and satisfaction in full of all of the Obligations, and provided that the Lenders shall have no further obligation to extend any credit or make any advances or loans to the Grantor under the Credit Agreement, the Agent shall, at the Grantor's request and at the Grantor's cost and expense, execute and deliver to the Grantor all deeds, assignments and other instruments as may be necessary or proper to terminate the Agent's security interest in the Collateral and re-vest in the Grantor title to the Collateral, subject to any disposition thereof which may have been made by the Agent pursuant hereto.

12. Notice. All notices and other communications given to or made upon any party hereto in connection with this Agreement shall be delivered in accordance with the provisions of Section 10.02 of the Credit Agreement and addressed to the respective parties as follows:

Agent: BANK OF AMERICA, N.A.
MA5-100-11-02
100 Federal Street
Boston, Massachusetts 02110
Attn: Kecia Holden
Fax #: (617) 790-1363

- with a copy to -

Wolff & Samson PC
One Boland Drive
West Orange, New Jersey 07052
Attn: Laurence M. Smith, Esq.
Fax #: (973) 530-2221

The Grantor: MISTRAS HOLDINGS CORP.
195 Clarksville Road
Princeton Jct., New Jersey 08550
Attn: Paul Peternik
Fax #: (609) 716-4179

- with a copy to -

Fulbright & Jaworski, L.L.P.
666 Fifth Avenue
New York, New York 10103
Attn: Sheldon Nussbaum, Esq.
Fax #: (212) 328-3400

13. No Waiver. No course of dealing between the Grantor and the Agent nor any failure to exercise, nor any delay in exercising, on the part of the Agent, any right, power or privilege hereunder or under any of 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 or the exercise of any other right, power or privilege.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or 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.

15. Amendment. This Agreement may be modified, amended, supplemented or otherwise changed only by a writing executed and delivered by all of the parties to this Agreement.

16. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Grantor, the Agent and the Lenders and their respective successors and assigns.

17. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of New Jersey.

18. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

19. Submission to Jurisdiction. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW JERSEY AND OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL


CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW JERSEY STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

20. Counterparts. This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and all taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Agreement as of the date set forth on the first page hereof.


BORROWER:

MISTRAS HOLDINGS CORP.


By: 
Name: PAUL PETERIK
Title: CFO

GUARANTORS:

CONAM INSPECTION AND ENGINEERING SERVICES, INC.

By: 
Name: PAUL PETERIK
Title: SECRETARY & TREASURER

PHYSICAL ACOUSTICS CORP.

By: 
Name: PAUL PETERIK
Title: SECRETARY & TREASURER

AGENT:

BANK OF AMERICA, N.A.,
as Agent

By: _____
Name:
Title:

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Agreement as of the date set forth on the first page hereof.

BORROWER:

MISTRAS HOLDINGS CORP.

By: _____
Name:
Title:

GUARANTORS:

CONAM INSPECTION AND ENGINEERING
SERVICES, INC.

By: _____
Name:
Title:

PHYSICAL ACOUSTICS CORP.

By: _____
Name:
Title:

AGENT:

BANK OF AMERICA, N.A.,
as Agent

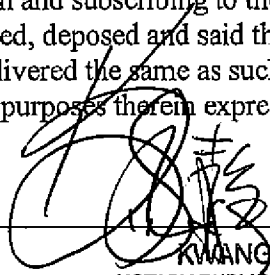
By: William Faigel, Jr.
Name: **William Faigel, Jr.**
Title: **Assistant Vice President**

STATE OF NEW JERSEY:

ss.

COUNTY OF ESSEX :

BE IT REMEMBERED, that on this ___ day of October, 2006, before me, the subscriber, personally appeared PAUL PETERIK, who I am satisfied is the CEO of MISTRAS HOLDINGS CORP., the corporation named in and subscribing to the foregoing instrument; and he, being by me duly sworn, acknowledged, deposed and said that such instrument was made by such corporation, and that he signed and delivered the same as such officer of such corporation as its voluntary act and deed for the uses and purposes therein expressed.

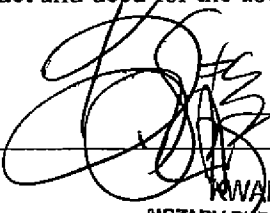

KWANG T. WEN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 12/16/2007

STATE OF NEW JERSEY:

ss.

COUNTY OF ESSEX :

BE IT REMEMBERED, that on this ___ day of October, 2006, before me, the subscriber, personally appeared PAUL PETERIK, who I am satisfied is the S&T of CONAM INSPECTION AND ENGINEERING SERVICES, INC., the corporation named in and subscribing to the foregoing instrument; and he, being by me duly sworn, acknowledged, deposed and said that such instrument was made by such corporation, and that he signed and delivered the same as such officer of such corporation as its voluntary act and deed for the uses and purposes therein expressed.

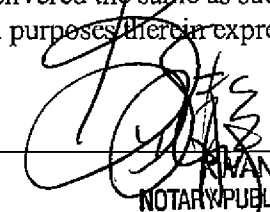

KWANG T. WEN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 12/16/2007

STATE OF NEW JERSEY:

ss.

COUNTY OF ESSEX :

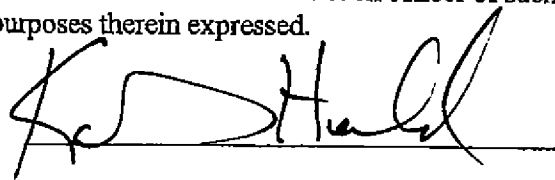
BE IT REMEMBERED, that on this ___ day of October, 2006, before me, the subscriber, personally appeared PAUL PETERIK, who I am satisfied is the S&T of PHYSICAL ACOUSTICS CORP., the corporation named in and subscribing to the foregoing instrument; and he, being by me duly sworn, acknowledged, deposed and said that such instrument was made by such corporation, and that he signed and delivered the same as such officer of such corporation as its voluntary act and deed for the uses and purposes therein expressed.


KWANG T. WEN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 12/16/2007

STATE OF ~~NEW JERSEY~~: Massachusetts

COUNTY OF ~~ESSEX~~ ^{SS.} Suffolk

BE IT REMEMBERED, that on this 15th day of ~~November~~ 2006, before me, the subscriber, personally appeared William Faidell, who I am satisfied is an Assistant Vice President of BANK OF AMERICA, N.A., the national bank named in and subscribing to the foregoing instrument; and she, being by me duly sworn, acknowledged, deposed and said that such instrument was made by such national bank, and that she signed and delivered the same as such officer of such bank as its voluntary act and deed for the uses and purposes therein expressed.



KALENS HEROLD
Notary Public
Commonwealth of Massachusetts
My Commission Expires
January 25, 2013

SCHEDULE A-1

List of Patents in Use

Grantors own and use the following U.S. patents:

Patent No.	Title
5,191,327	Programmable Remote Transducer With Filtering, Differentiation, Integration and Amplification
5,430,663	Fault Tolerant Multipoint Data Collection System
5,473,941	Encapsulated Accelerometer With Faraday Shielding
5,687,391	Fault Tolerant Multipoint Control and Data Collection System
5,847,278	Accelerometer with Shear Isolated Mounting

Grantors own and use the following non-U.S. Patents:

Country	Patent No.	Title
Australia	698530	Fault Tolerant Multipoint Data Collection System
Canada	2,214,852	Fault Tolerant Multipoint Data Collection System
China	ZL96195121.4	Fault Tolerant Multipoint Data Collection System
EPC	0,835,434B1	Fault Tolerant Multipoint Data Collection System
France-EP	0,835,434B1	Fault Tolerant Multipoint Data Collection System
Germany –EP	96 29 697.7-08	Fault Tolerant Multipoint Data Collection System
Great Britain-EP	0,835,434B1	Fault Tolerant Multipoint Data Collection System
Germany-EP	7 25927 2 (<i>expired</i>)	Fault Tolerant Multipoint Data Collection System
Great Britain-EP	697094 (<i>expired</i>)	Fault Tolerant Multipoint Data Collection System
Australia-EP	697079 (<i>expired</i>)	Fault Tolerant Multipoint Data Collection System

Physical Acoustics Corporation holds the following patent license: Settlement and Patent License Agreement, dated April 22, 2004, between Pure Technologies, Ltd. and Physical Acoustics Corp.

SCHEDULE A-2

List of Unused Patents

5,255,565 Method and Apparatus for Monitoring Multiple Points on a Vibrating Structure

Patent no. 5,255,565 has expired due to non-payment of maintenance fees.

SCHEDULE B-1

List of Trademarks in Use

U.S. Registered Trademarks:

Trademark	Owner	Registration or Serial No.
Vibra-Metrics	Mistras Holdings Corp.	1,656,028
PAC Physical Acoustics Corporation & Design	Mistras Holdings Corp.	2,679,996
TANKPAC	Physical Acoustics Corporation	78/939,647
CONAM Inspection	CONAM Inspection & Engineering Services, Inc.	1,517,630
C& Design	CONAM Inspection & Engineering Services, Inc.	1,265,296
Sensor Highway (<i>cancelled mark</i>)	Mistras Holdings Corp.	1,870,364
TUFKEM (<i>cancelled mark</i>)	Mistras Holdings Corp.	1,921,808
CONAM (<i>cancelled mark</i>)	CONAM Inspection & Engineering Services, Inc.	2,221,53

Grantors also uses the following unregistered trademarks:

Monpac, Perpac, NDT Automation, and PCMS

SCHEDULE B-2

List of Unused Trademarks

Trademark	Owner	Registration or Serial No.
AGTL & Design (<i>cancelled mark</i>)	CONAM Inspection & Engineering Services, Inc.	1,229,148