

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | Trademark Collateral Assignment and Security Agreement |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|--------------|----------|----------------|-----------------------|
| Lydall, Inc. | | 06/16/2011 | CORPORATION: DELAWARE |

RECEIVING PARTY DATA

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|--------------------------|---|
| Name: | Bank of America, N.A. |
| Street Address: | CityPlace 1 |
| Internal Address: | 185 Asylum Street |
| City: | Hartford |
| State/Country: | CONNECTICUT |
| Postal Code: | 06103 |
| Entity Type: | national banking association: UNITED STATES |

PROPERTY NUMBERS Total: 25

| Property Type | Number | Word Mark |
|----------------------|---------|-------------|
| Registration Number: | 1618268 | ACTIPURE |
| Registration Number: | 3666658 | AFFINITY LL |
| Registration Number: | 2620747 | AMS |
| Registration Number: | 3404490 | APPLY |
| Registration Number: | 3151585 | CAPRATON |
| Registration Number: | 2502066 | CELLUPURE |
| Registration Number: | 2061532 | CRS WRAP |
| Registration Number: | 1648155 | CRYOTHERM |
| Registration Number: | 2916582 | DBCORE |
| Registration Number: | 2424969 | DBLYTE |
| Registration Number: | 3540977 | FLEXSHIELD |
| Registration Number: | 1720282 | FORMOWEB |
| Registration Number: | 1219091 | LYDAIR |

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|----------------------|---------|----------------|
| Registration Number: | 2894129 | LYDALL |
| Registration Number: | 1229496 | LYPORE |
| Registration Number: | 1587807 | LYPORE |
| Registration Number: | 3013016 | LYSHIELD |
| Registration Number: | 1627121 | LYTHERM |
| Registration Number: | 1140365 | MANNIGLAS |
| Registration Number: | 1117687 | MANNIGLAS |
| Registration Number: | 1580047 | MANNING |
| Registration Number: | 0755523 | MANNITHERM |
| Registration Number: | 1049541 | MANNIWEB |
| Registration Number: | 1505811 | TECHNIMAT |
| Registration Number: | 2328380 | ZERO CLEARANCE |

CORRESPONDENCE DATA

Fax Number: (860)251-5312
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 860-251-5703
Email: trademarks@goodwin.com
Correspondent Name: Barb Villandry, Paralegal
Address Line 1: Shipman & Goodwin LLP
Address Line 2: One Constitution Plaza
Address Line 4: Hartford, CONNECTICUT 06103-1919

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|-------------------------|---------------------------|
| ATTORNEY DOCKET NUMBER: | 20335-22 |
| NAME OF SUBMITTER: | Barb Villandry, Paralegal |
| Signature: | /Barb Villandry/ |
| Date: | 06/21/2011 |

Total Attachments: 22

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EXECUTION VERSION
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

This TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (this "Agreement") dated as of June 16, 2011 is made by and among LYDALL, INC., a Delaware corporation having a place of business at One Colonial Road, Manchester, Connecticut 06042 ("Assignor"), and BANK OF AMERICA, N.A., a national banking association (the "Lender").

W I T N E S S E T H

WHEREAS, the Lender and the Assignor have entered into a Credit Agreement dated as of even date herewith, (as amended, restated, supplemented or otherwise modified and in effect from time to time, the "Credit Agreement"), pursuant to which the Lender, subject to the terms and conditions contained therein, is to make loans or otherwise to extend credit or provide financial accommodations to the Assignor; and

WHEREAS, pursuant to that certain Security Agreement (as amended, restated, supplemented or otherwise modified and in effect from time to time, the "Security Agreement"), dated as of the date hereof, by and between the Lender and the Assignor, the Assignor has granted to the Lender a first priority (subject to Liens permitted under the Credit Agreement) security interest in the Collateral (as defined in the Security Agreement) which is now or hereafter owned by the Assignor, including without limitation the trademarks, service marks, trademark and service mark registrations, and trademark and service mark registration applications listed on Schedule A attached hereto, all to secure the payment and performance of the Assignor's Obligations (as defined below) under the Security Agreement; and

WHEREAS, this Agreement is supplemental to the provisions contained in the Security Agreement; and

NOW, THEREFORE, in consideration of the premises 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. **DEFINITIONS.**

All capitalized terms used herein without definitions shall have the respective meanings provided for in the Security Agreement. The following terms shall have the meanings set forth in this Section 1 or elsewhere in this Agreement as referred to below:

Assignment of Marks. See Section 2.1 hereunder.

Associated Goodwill. All goodwill of the Assignor and its business, products and services appurtenant to, associated with or symbolized by the Trademarks and the use thereof.

Collateral. Shall have the same meaning as ascribed to that term in the Security Agreement.

Event of Default. Shall have the same meaning as ascribed to that term in the Credit Agreement.

Pledged Trademarks. All of the Assignor's right, title and interest in and to all of the Trademarks, the Trademark Registrations, the Trademark License Rights, the Trademark Rights, the Associated Goodwill, the Related Assets, and all accessions to, substitutions for, replacements of, and all products and proceeds of any and all of the foregoing.

Related Assets. All assets, rights and interests of the Assignor that uniquely reflect or embody the Associated Goodwill, including the following:

(a) all patents, inventions, copyrights, trade secrets, confidential information, formulae, methods or processes, compounds, recipes, know-how, methods and operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision and sale of goods or services under or in association with any of the Trademarks; and

(b) the following documents and things in the possession or under the control of the Assignor, or subject to its demand for possession or control, related to the production, delivery, provision and sale by the Assignor, or any affiliate, franchisee, licensee or contractor, of products or services sold by or under the authority of the Assignor in connection with the Trademarks or Trademark Rights, whether prior to, on or subsequent to the date hereof:

(i) all lists, contracts, ancillary documents and other information that identify, describe or provide information with respect to any customers, dealers or distributors of the Assignor, its affiliates or franchisees or licensees or contractors, for products or services sold under or in connection with the Trademarks or Trademark Rights, including all lists and documents containing information regarding each customer's, dealer's or distributor's name and address, credit, payment, discount, delivery and other sale terms, and history, pattern and total of purchases by brand, product, style, size and quantity;

(ii) all agreements (including franchise agreements), product and service specification documents and operating, production and quality control manuals relating to or used in the design, manufacture, production, delivery, provision and sale of products or services under or in connection with the Trademarks or Trademark Rights;

(iii) all documents and agreements relating to the identity and locations of all sources of supply, all terms of purchase and delivery, for all materials, components, raw materials and other supplies and services used in the manufacture, production, provision, delivery and sale of products or services under or in connection with the Trademarks or Trademark Rights; and

(iv) all agreements and documents constituting or concerning the present or future, current or proposed advertising and promotion by the Assignor (or any of its affiliates, franchisees, licensees or contractors) of products or services sold under or in connection with the Trademarks or Trademark Rights.

Trademark License Rights. Any and all past, present or future rights and interests of the Assignor pursuant to any and all past, present and future franchising or licensing agreements in favor of the Assignor, or to which the Assignor is a party, pertaining to any Trademarks, Trademark Registrations, or Trademark Rights owned or used by third parties in the past, present or future, including the right (but not the obligation) in the name of the Assignor or the Lender to enforce, and sue and recover for, any breach or violation of any such agreement to which the Assignor is a party.

Trademark Registrations. All past, present or future federal, state, local and foreign registrations of the Trademarks, all past, present and future applications for any such registrations (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of the Assignor or the Lender, and to take any and all actions necessary or appropriate to maintain such registrations in effect and renew and extend such registrations.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Assignor or the Lender for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury; and the Trademark License Rights.

Trademarks. All of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and other source and product or service identifiers, used or associated with or appurtenant to the products, services and businesses of the Assignor, that (i) are set forth on Schedule A hereto, or (ii) have been adopted, acquired, owned, held or used by the Assignor or are now owned, held or used by the Assignor, in the Assignor's business, or with the Assignor's products and services, or in which the Assignor has any right, title or interest, or (iii) are in the future adopted, acquired, owned, held and used by the Assignor in the Assignor's business or with the Assignor's products and services, or in which the Assignor in the future acquires any right, title or interest.

Use. With respect to any Trademark, all uses of such Trademark by, for or in connection with the Assignor or its business or for the direct or indirect benefit of the Assignor or its business, including all such uses by the Assignor itself, by any of the affiliates of the Assignor, or by any franchisee, licensee or contractor of the Assignor.

USPTO. The United States Patent and Trademark Office.

2. GRANT OF COLLATERAL ASSIGNMENT AND SECURITY INTEREST.

2.1. Security Interest; Assignment of Marks. As collateral security for the payment and performance in full of all of the Obligations, the Assignor hereby unconditionally grants to the Lender a continuing security interest in, and first priority lien on, the Pledged Trademarks, and pledges and mortgages (but does not transfer title to) the Pledged Trademarks to the Lender.

2.2. Collateral Assignment. In addition to, and not by way of limitation of, the grant, pledge and mortgage of the Pledged Trademarks provided in Section 2.1 above, the Assignor grants, assigns, transfers, conveys and sets over to the Lender, the Assignor's entire right, title and interest in and to the Pledged Trademarks; provided that such grant, assignment, transfer and conveyance shall be and become of force and effect only (i) upon or after the occurrence and during the continuance of an Event of Default and (ii) either (A) upon the written demand of the Lender at any time during such continuance or (B) immediately and automatically (without notice or action of any kind by the Lender) upon an Event of Default for which acceleration of the indebtedness outstanding under the Credit Agreement, or the Note issued pursuant thereto, is automatic under the Credit Agreement or upon the sale or other disposition of, or foreclosure upon, the Pledged Trademarks pursuant to the Security Agreement and applicable law (including the transfer or other disposition of the Pledged Trademarks by the Assignor to the Lender or its nominee in lieu of foreclosure). In addition, Assignor has executed in blank and delivered to the Lender an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "**Assignment of Marks**"). The Assignor hereby authorizes the Lender to complete as assignee and record with the USPTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise

of the Lender's remedies under this Agreement and the Security Agreement; provided, however, that to the extent the Event of Default that causes the assignment and transfer pursuant to this Section 2.2 to become effective has been cured and no other Default or Event of Default has occurred and is continuing, so long as Assignor has delivered to Lender a new Assignment of Marks in blank, the Lender shall reassign and reconvey to the Assignor any Pledged Trademarks of the Assignor then held by the Lender.

2.3 Supplemental Security Agreement. Pursuant to the Security Agreement, the Assignor has granted to the Lender, a continuing security interest in and lien on the Collateral (including the Pledged Trademarks). The Security Agreement, and all rights and interests of the Lender in and to the Collateral (including the Pledged Trademarks) thereunder, are hereby ratified and confirmed in all respects. In no event shall this Agreement, the grant, assignment, transfer and conveyance of the Pledged Trademarks hereunder, or the recordation of this Agreement (or any document hereunder) with the USPTO, adversely affect or impair, in any way or to any extent, the Security Agreement, the security interest of the Lender in the Collateral (including the Pledged Trademarks) pursuant to the Security Agreement and this Agreement, the attachment and perfection of such security interest under the Uniform Commercial Code as enacted in any applicable jurisdiction (including the security interest in the Pledged Trademarks), or any present or future rights and interests of the Lender in and to the Collateral under or in connection with the Security Agreement, this Agreement or the Uniform Commercial Code as enacted in any applicable jurisdiction. Any and all rights and interests of the Lender in and to the Pledged Trademarks (and any and all obligations of the Assignor with respect to the Pledged Trademarks) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Lender (and the Obligations of the Assignor) in, to or with respect to the Collateral (including the Pledged Trademarks) provided in, or arising under, or in connection with, the Security Agreement and shall not be in derogation thereof. EXCEPT AS SPECIFICALLY SET FORTH IN THE SECURITY AGREEMENT OR AS REQUIRED BY LAW, THE LENDER DOES NOT ASSUME LIABILITY ARISING IN ANY WAY BY REASON OF HOLDING SUCH COLLATERAL.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

The Assignor represents, warrants and covenants that: (i) Schedule A sets forth a true and complete list of all Trademarks and Trademark Registrations now owned, licensed, controlled or used by the Assignor which are filed in the USPTO; (ii) to its knowledge the Trademarks and Trademark Registrations are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the Trademarks or Trademark Registrations; (iii) to Assignor's knowledge, each of the Trademarks and Trademark Registrations is valid and enforceable; (iv) to Assignor's knowledge there is no infringement by others of the Trademarks, Trademark Registrations or Trademark Rights; (v) no claim has been made that the use of any of the Trademarks does or may violate the rights of any third person, and to Assignor's knowledge, there is no infringement by the

Assignor of the trademark rights of others; (vi) the Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks (other than ownership and other rights reserved by third party owners with respect to Trademarks that the Assignor is licensed to use and excluding rights granted to others under existing licenses of the Trademarks and Trademark Registrations which, with respect to Trademarks and Trademark Registrations filed in the USPTO, are as set forth on Schedule B), free and clear of any liens, charges, encumbrances and adverse claims, including pledges, assignments, licenses, registered user agreements and covenants by the Assignor not to sue third persons, other than the security interest and assignment created by the Security Agreement and this Agreement; (vii) the Assignor has the unqualified right to enter into this Agreement and to perform its terms; (viii) to the knowledge of its executive management, the Assignor has used, and will continue to use, proper statutory and other appropriate proprietary notices in connection with its use of the Trademarks; (ix) the Assignor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture and provision of products and services sold or provided under the Trademarks; (x) this Agreement, together with the Security Agreement, will create in favor of the Lender a valid and perfected first priority security interest in the Pledged Trademarks upon making the filings referred to in clause (xi) of this Section 3; and (xi) except for (a) with respect to that portion of the Trademark Collateral which relates to any Trademarks and all applications, registrations and recordings as may from time to time be filed in the USPTO (I) the filing of a financing statement with the Secretary of State of the State of Delaware under the Uniform Commercial Code and (II) and (b) with respect to that portion of the Trademark Collateral which relates to any Trademarks and all applications, registrations and recordings as may from time to time be filed in any country other than the United States, compliance with any such foreign laws, rules or regulations which govern the granting of a security interest in, and assignment of, such foreign Trademark Collateral, the recording of this Agreement with the USPTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (A) for the grant by the Assignor or the effectiveness of the security interest and assignment granted hereby or for the execution, delivery and performance of this Agreement by the Assignor, or (B) for the perfection of the Lender's security interest hereunder.

4. INSPECTION RIGHTS.

The Assignor hereby grants to the Lender and its respective employees and agents the right to visit the Assignor's plants and facilities that manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto, all at such reasonable times, upon reasonable notice, in a reasonable manner and as often as the Lender may reasonably request; provided, however, that when an Event of Default exists the Lender (or any of its respective representatives or independent contractors) may do any of the foregoing at any time during normal business hours and without advance notice.

5. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Lender's prior written consent and except for licenses of the Pledged Trademarks in the ordinary course of Assignor's business consistent with its past practices or to those parties set forth on Schedule B, the Assignor will not (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Pledged Trademarks (except as provided by this Agreement or the Loan Documents) or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with the Assignor's obligations under this Agreement or the Security Agreement.

6. AFTER-ACQUIRED TRADEMARKS, ETC.

6.1 After-acquired Trademarks. If, before the Obligations (other than contingent indemnification obligations for which no claim has been asserted) shall have been finally paid and satisfied in full, the Assignor shall obtain any right, title or interest in or to any other or new Trademarks, Trademark Registrations or Trademark Rights, the provisions of this Agreement shall automatically apply thereto. Concurrently with the delivery of annual financial statements pursuant to Section 6.01(a) of the Credit Agreement, Assignor shall provide to the Lender updates of Schedule A and Schedule B reflecting new Trademarks, Trademark Registrations or Trademark Rights filed in the USPTO and execute and deliver to the Lender such documents or instruments as the Lender may reasonably request further to implement, preserve or evidence the Lender's interest therein.

6.2 Amendment to Schedule. The Assignor authorizes the Lender to modify this Agreement and the Assignment of Marks, without the necessity of the Assignor's further approval or signature, by amending Schedule A hereto and the Annex to the Assignment of Marks to include any future or other Trademarks, Trademark Registrations or Trademark Rights relating to Trademarks filed in the USPTO under Section 2 or Section 6 and/or to delete Trademarks, Trademark Registrations or Trademark Rights filed in the USPTO which have been terminated by Assignor in the ordinary course of business. Concurrently with the delivery of annual financial statements pursuant to Section 6.01(a) of the Credit Agreement, Assignor shall notify the Lender of such terminations occurring after the date hereof.

7. TRADEMARK PROSECUTION.

7.1 Assignor Responsible. The Assignor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with the Pledged Trademarks, and shall hold the Lender harmless from any and all costs, damages, liabilities and expenses that may be incurred by the Lender in connection with the Lender's interest in the Pledged Trademarks or any other action or failure to act in connection with this Agreement or the transactions contemplated hereby. In respect of such responsibility, the Assignor shall retain trademark counsel reasonably acceptable to the Lender.

7.2 Assignor's Duties, etc. The Assignor shall have the right and, subject to its reasonable business judgment, the duty, to prosecute diligently any trademark registration applications of the Trademarks pending as of the date of this Agreement or thereafter, to preserve and maintain all rights in the Trademarks and Trademark Registrations, including the filing of appropriate renewal applications and other instruments to maintain in effect the Trademark Registrations and the payment when due of all registration renewal fees and other fees, taxes and other expenses that shall be incurred or that shall accrue with respect to any of the Trademarks or Trademark Registrations, in each case, in a commercially reasonable manner to the extent that the Assignor, in the exercise of its reasonable business judgment based upon the circumstances then existing, deems warranted. The Assignor shall not abandon any filed trademark registration application, or any Trademark Registration or Trademark unless such abandonment is in a commercially reasonable manner consistent with the Assignor's reasonable business judgment based upon the circumstances then existing. Any expenses incurred in connection with such applications and actions shall be borne by the Assignor.

7.3 Assignor's Enforcement Rights. The Assignor shall have the right and the duty to bring suit or other action in the Assignor's own name to maintain and enforce the Trademarks, the Trademark Registrations and the Trademark Rights, in each case, in a commercially reasonable manner to the extent the Assignor, in the exercise of its reasonable business judgment based upon the circumstances then existing, deems warranted. The Assignor may require the Lender to join in such suit or action as necessary to assure the Assignor's ability to bring and maintain any such suit or action in any proper forum if (but only if) the Lender is completely satisfied that such joinder will not subject it to any risk of liability. The Assignor shall promptly, upon demand, reimburse and indemnify the Lender for all damages, costs and expenses, including legal fees, incurred by Lender pursuant to this Section 7.3.

7.4 Protection of Trademarks, etc. In general, the Assignor shall take any and all such actions (including institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Pledged Trademarks in a commercially reasonable manner to the extent that the Assignor, in the exercise of its reasonable business judgment based upon the circumstances then existing, deems warranted. Subject to Section 7.2, the Assignor shall not take or fail to take any action, nor permit any action to be taken or not taken by others under its control, that would adversely affect the validity, grant or enforcement of the Pledged Trademarks.

7.5 Notification by Assignor. Promptly upon obtaining knowledge thereof, the Assignor will notify the Lender in writing of the institution of, or any final adverse determination in, any proceeding in the USPTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the Trademarks or Trademark Registrations or the Assignor's rights, title or interests in and to the Pledged Trademarks, and of any event that does or reasonably could materially

adversely affect the aggregate value of any of the Pledged Trademarks, the ability of the Assignor or the Lender to dispose of any of the Pledged Trademarks or the rights and remedies of the Lender in relation thereto (including but not limited to the levy of any legal process against any of the Pledged Trademarks).

8. REMEDIES.

Upon the occurrence and during the continuance of an Event of Default, the Lender shall have, in addition to all other rights and remedies given it by this Agreement, the Security Agreement (including, without limitation, those set forth in Section 15), and any other related financing documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any applicable jurisdiction, and, without limiting the generality of the foregoing, the Lender may immediately, without demand of performance and without other notice or demand (except as set forth below) whatsoever to the Assignor, all of which are hereby expressly waived, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Pledged Trademarks, or any interest that the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Pledged Trademarks all expenses incurred by the Lender in attempting to enforce this Agreement (including all expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations as set forth in or by reference in the Security Agreement. Notice of any sale, license or other disposition of the Pledged Trademarks shall be given to the Assignor at least ten (10) Business Days before the time that any intended public sale or other public disposition of the Pledged Trademarks is to be made or after which any private sale or other private disposition of the Pledged Trademarks may be made, which the Assignor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Lender may, to the extent permitted under applicable law, purchase or license the whole or any part of the Pledged Trademarks or interests therein sold, licensed or otherwise disposed.

9. COLLATERAL PROTECTION.

If the Assignor shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of the Assignor shall be breached, the Lender, in its own name or that of the Assignor (in the sole discretion of the Lender), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Assignor agrees promptly to reimburse the Lender for any cost or expense incurred by the Lender in so doing.

10. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, the Assignor does hereby make, constitute and appoint the Lender (and any officer or agent of the Lender as it may select in its exclusive discretion) as the Assignor's true and lawful attorney-in-fact,

with full power of substitution and with the power to endorse the Assignor's name on all applications, documents, papers and instruments necessary for the Lender to use the Pledged Trademarks, or to grant or issue any exclusive or non-exclusive license of any of the Pledged Trademarks to any third person, or to take any and all actions necessary for the Lender to assign, pledge, convey or otherwise transfer title in or dispose of any of the Pledged Trademarks or any interest of the Assignor therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts that the Assignor is obligated to execute and do hereunder. The Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and releases the Lender from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Lender under this power of attorney (except for the Lender's gross negligence or willful misconduct or the gross negligence or willful misconduct of any such aforesaid officer or Lender of the Lender). This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Agreement.

11. FURTHER ASSURANCES.

The Assignor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Lender may request or as may be necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Agreement, or to assure and confirm to the Lender the grant, perfection and priority of the Lender's security interest in the Pledged Trademarks.

12. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full (other than contingent indemnification obligations for which no claim has been asserted) this Agreement shall terminate and the Lender shall, upon the written request and at the expense of the Assignor, execute and deliver to the Assignor all deeds, assignments and other instruments as may be necessary or proper to reassign and reconvey to and re-vest in the Assignor the entire right, title and interest to the Pledged Trademarks previously granted, assigned, transferred and conveyed to the Lender by the Assignor pursuant to this Agreement, as fully as if this Agreement had not been made, subject to any disposition of all or any part thereof that may have been made by the Lender pursuant to the Security Agreement this Agreement or otherwise.

13. COURSE OF DEALING.

No course of dealing between the Assignor and the Lender, nor any failure to exercise, nor any delay in exercising, on the part of the Lender, any right, power or privilege hereunder or under the Security Agreement or any other agreement 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.

14. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and expenses incurred by the Lender in connection with the preparation of this Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance or renewal fees, encumbrances, or otherwise protecting, maintaining or preserving any of the Pledged Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Pledged Trademarks, shall be borne and paid by the Assignor.

15. OVERDUE AMOUNTS.

Until paid, all amounts due and payable by the Assignor hereunder shall be a debt secured by the Pledged Trademarks and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue amounts set forth in the Credit Agreement.

16. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE LENDER DOES NOT ASSUME LIABILITIES OF THE ASSIGNOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE ASSIGNOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PLEDGED TRADEMARKS OR ANY USE, LICENSE OR SUBLICENSE THEREOF, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY THE RESPONSIBILITY OF THE ASSIGNOR, AND THE ASSIGNOR SHALL INDEMNIFY THE LENDER FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY THE LENDER WITH RESPECT TO SUCH LIABILITIES.

17. NOTICES.

Any notice required or permitted by this Agreement shall be in writing and shall be given: (a) by personal delivery, (b) by certified mail, return receipt requested, or (c) by nationally recognized overnight courier (e.g., Federal Express), or (d) by electronic facsimile or electronic mail transmission (with confirmation of successful transmission) (provided, however, that if a notice is given by electronic facsimile or electronic mail, a

copy of such notice shall also be delivered by one of the other delivery methods set forth in clauses (a), (b) and (c) above), in each case addressed to such party at its address indicated below:

(a) if to the Assignor,

Lydall, Inc.
One Colonial Road
Manchester, Connecticut 06042
Attn: General Counsel
Telephone: (860) 327-0202
Telecopier: (860) 646-8847
Email: pigoe@lydall.com

with a copy to:

Murtha Cullina LLP
CityPlace I
185 Asylum Street
Hartford, CT 06103
Attn: Frank Saccomandi, III, Esq.
Telephone: (860) 240-6043
Telecopier: (860) 240-6150
Email: FSaccomandi@murthalaw.com

(b) if to the Lender,

Bank of America, N.A.
CityPlace I
185 Asylum Street
Hartford, CT 06103
Attn: Christopher T. Phelan, Senior Vice President
Telephone: (860) 952-7492
Telecopier: (860) 952-7515
Email: christopher.phelan@baml.com

with a copy to:

Shipman & Goodwin LLP
One Constitution Plaza
Hartford, CT 06103-1919
Attn: James C. Schulwolf, Esq.
Telephone: (860) 251-5949
Telecopier: (860) 251-5311
Email: jschulwolf@goodwin.com

or to any other address as the parties hereto may designate by ten (10) days advance written notice to the other parties. Notices and other communications delivered by personal delivery, nationally recognized overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by electronic facsimile or electronic mail shall be deemed to have been given when sent (except that, if not received during normal business hours of the recipient, shall be deemed to have been given at the opening of business on the next business day for such recipient after such receipt).

18. AMENDMENT AND WAIVER.

This Agreement may not be amended or modified orally, but only by an instrument in writing executed on behalf of the Assignor and the Lender and except as provided in Section 6.2. The Lender shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Lender. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

19. GOVERNING LAW; CONSENT TO JURISDICTION; WAIVER.

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CONNECTICUT (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW). The Assignor agrees that any suit for the enforcement of this Agreement may be brought in the courts of the State of Connecticut or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Assignor by certified or registered mail at the address specified in Section 17. The Assignor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient forum.

20. WAIVER OF JURY TRIAL.

EACH PARTY HERETO WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS. Except as prohibited by law, the Assignor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Assignor (i) certifies that neither the Lender nor any representative, agent or attorney of the Lender has represented, expressly or otherwise, that they would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Security Agreement and the other agreements and instruments relating thereto to which the Assignor is a party, the Lender is relying upon, among other things, the waivers and certifications contained in this Section 20.

21. PREJUDGMENT REMEDY WAIVER.

THE ASSIGNOR HEREBY REPRESENTS, WARRANTS AND ACKNOWLEDGES THAT THE FINANCING EVIDENCED HEREBY IS A COMMERCIAL TRANSACTION WITHIN THE MEANING OF CHAPTER 903a OF THE CONNECTICUT GENERAL STATUTES, AS AMENDED. THE ASSIGNOR HEREBY WAIVES ITS RIGHT TO NOTICE AND PRIOR COURT HEARING OR COURT ORDER UNDER CONNECTICUT GENERAL STATUTES SECTIONS 52-278A ET. SEQ. AS AMENDED OR UNDER ANY OTHER STATE OR FEDERAL LAW WITH RESPECT TO ANY AND ALL PREJUDGMENT REMEDIES THE LENDER MAY EMPLOY TO ENFORCE ITS RIGHTS AND REMEDIES HEREUNDER AND UNDER THE OTHER LOAN DOCUMENTS. MORE SPECIFICALLY, THE ASSIGNOR ACKNOWLEDGES THAT UPON THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT THE LENDER'S ATTORNEY MAY, PURSUANT TO, AND IN ACCORDANCE WITH, CONN. GEN. STATE. §52-278F, ISSUE A WRIT FOR A PREJUDGMENT REMEDY WITHOUT SECURING A COURT ORDER, PROVIDED THE COMPLAINT SHALL SET FORTH A COPY OF THIS WAIVER. THE ASSIGNOR ACKNOWLEDGES AND RESERVES ITS RIGHT TO NOTICE AND A HEARING SUBSEQUENT TO THE ISSUANCE OF A WRIT FOR PREJUDGMENT REMEDY AS AFORESAID AND THE LENDER ACKNOWLEDGES THE ASSIGNOR'S RIGHT TO SAID HEARING SUBSEQUENT TO THE ISSUANCE OF SAID WRIT. THE ASSIGNOR FURTHER WAIVES ITS RIGHTS TO REQUEST THAT THE LENDER POST A BOND, WITH OR WITHOUT SURETY, TO PROTECT ASSIGNOR AGAINST DAMAGES THAT MAY BE CAUSED BY ANY PREJUDGMENT REMEDY SOUGHT OR OBTAINED BY THE LENDER.

22. COUNTERPARTS.

This Agreement may be executed and delivered in any number of counterparts. Each counterpart shall constitute an original, but all counterparts together shall constitute but one and the same agreement.

23. MISCELLANEOUS.

The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon the Assignor and its respective successors and assigns, and shall inure to the benefit of the Lender and its respective successors and assigns. In the event of any irreconcilable conflict between the provisions of this Agreement and the Security Agreement, the provisions of the Security Agreement shall control. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Assignor acknowledges receipt of a copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Trademark Collateral Assignment and Security Agreement has been executed as of the day and year first above written.

ASSIGNOR:

LYDALL, INC.

By: Dale G. Barnhart

Name: Dale G. Barnhart
Title: President & CEO
(Duly Authorized)

LENDER:

BANK OF AMERICA, N.A.

By: _____

Name: Christopher T. Phelan
Title: Senior Vice President
(Duly Authorized)

IN WITNESS WHEREOF, this Trademark Collateral Assignment and Security Agreement has been executed as of the day and year first above written.

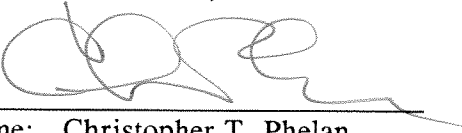
ASSIGNOR:

LYDALL, INC.

By: _____
Name: Dale G. Barnhart
Title: President & CEO
(Duly Authorized)

LENDER:

BANK OF AMERICA, N.A.

By: 
Name: Christopher T. Phelan
Title: Senior Vice President
(Duly Authorized)

**TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT**

SCHEDULE A

U.S. Trademarks and Trademark Registrations

| Mark | Status | Reg. No. |
|--------------------------------|---------------|-----------------|
| ACTIPURE | REGISTERED | 1618268 |
| AFFINITY (Stylized) AND DESIGN | REGISTERED | 3666658 |
| AMS | REGISTERED | 2620747 |
| APPLY | REGISTERED | 3404490 |
| CAPRATON | REGISTERED | 3151585 |
| CELLUPURE | REGISTERED | 2502066 |
| CRS WRAP | REGISTERED | 2061532 |
| CRYOTHERM | REGISTERED | 1648155 |
| DBCORE | REGISTERED | 2916582 |
| DBLYTE (Stylized) AND DESIGN | REGISTERED | 2424969 |
| FLEXSHIELD | REGISTERED | 3540977 |
| FORMOWEB | REGISTERED | 1720282 |
| LYDAIR | REGISTERED | 1219091 |
| LYDALL (Stylized) AND DESIGN | REGISTERED | 2894129 |
| LYPORE | REGISTERED | 1229496 |
| LYPORE | REGISTERED | 1587807 |
| LYSHIELD | REGISTERED | 3013016 |
| LYTHERM | REGISTERED | 1627121 |
| MANNIGLAS | REGISTERED | 1140365 |
| MANNIGLAS | REGISTERED | 1117687 |
| MANNING | REGISTERED | 1580047 |
| MANNITHERM | REGISTERED | 755523 |
| MANNIWEB | REGISTERED | 1049541 |
| TECHNIMAT | REGISTERED | 1505811 |
| ZERO CLEARANCE | REGISTERED | 2328380 |

**TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT**

SCHEDULE B

Existing Licenses

Trademark license granted to Weidman Electrical Technology, Inc. under Contract Manufacturing Agreement dated June 30, 2010 with respect to "MANNING®" trademark.

**TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT**

EXHIBIT 1

ASSIGNMENT OF TRADEMARKS

WHEREAS, Lydall, Inc., a Delaware corporation, having a place of business at One Colonial Road, Manchester, Connecticut 06042 (the "Assignor"), is the owner of the trademarks and registrations and pending registration application for such trademarks in the United States Patent and Trademark Office as identified on such Annex (the "Trademarks"); and

WHEREAS, Assignor and Bank of America, N.A. (the "Assignee"), have entered into that certain Trademark Collateral and Assignment Agreement (the "Trademark Agreement") dated as of June ___, 2011, whereby Assignor has granted Assignee a security interest in the Trademark pursuant to the terms and conditions therein;

WHEREAS, the Assignee is desirous of acquiring the trademarks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the trademarks, together with (i) the registrations of and registration applications for the trademarks (and all divisions, continuations, continuations in part, reissues, substitutes and extensions thereof), (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or damage or injury to the trademarks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks is intended to take effect, and shall take effect, as a sealed instrument at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment of Trademarks below.

[Signature Page Follows]

IN WITNESS WHEREOF, THE Assignor and the Assignee, by their duly authorized officers, have executed this assignment on this ____ day of June, 2011.

LYDALL, INC.

By: _____
Name: Dale G. Barnhart
Title: President & CEO

BANK OF AMERICA, N.A.

By: _____
Name: Christopher T. Phelan
Title: Senior Vice President
(Duly Authorized)

**TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT**

ANNEX

U.S. Trademarks and Trademark Registrations

| Mark | Status | Reg. No. |
|--------------------------------|---------------|-----------------|
| ACTIPURE | REGISTERED | 1618268 |
| AFFINITY (Stylized) AND DESIGN | REGISTERED | 3666658 |
| AMS | REGISTERED | 2620747 |
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| CAPRATON | REGISTERED | 3151585 |
| CELLUPURE | REGISTERED | 2502066 |
| CRS WRAP | REGISTERED | 2061532 |
| CRYOTHERM | REGISTERED | 1648155 |
| DBCORE | REGISTERED | 2916582 |
| DBLYTE (Stylized) AND DESIGN | REGISTERED | 2424969 |
| FLEXSHIELD | REGISTERED | 3540977 |
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| LYPORE | REGISTERED | 1229496 |
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