SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (date of earliest event
reported) July 11, 1995

Cabot Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-5667	04-2271897
(Commission file number)	(I.R.S.Employer Identification No.)

75 State Street, Boston, Massachusetts	02109-1806
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (617) 345-0100

Not applicable
(Former name or former address, if changed since last report)

Item 2. Acquisition or Disposition of Assets.

On July 11, 1995, Cabot Corporation ("Cabot" or the "Company") restructured the ownership of its safety products and specialty composites businesses (the "Safety Business"), which had been conducted primarily through three subsidiaries: Cabot Safety Corporation (which is now known as Cabot CSC Corporation ("CSC")), Cabot Safety Limited (which is now known as Cabot CSC Limited ("CSL")), and Cabot Canada Ltd. ("CCL"). The restructuring consisted of a series of transactions in which these Cabot subsidiaries transferred their Safety Business assets to Cabot Safety Acquisition Corporation ("New CSC") and its subsidiaries, Cabot Safety Limited ("New CSL"), and Cabot Safety Canada Corporation ("New CCL"). New CSC is a wholly owned subsidiary of Cabot Safety Holdings Corporation ("Holdings").

In the transactions, the Cabot subsidiaries received aggregate consideration of approximately $205,000,000 consisting of (i) $169,200,000 in cash, subject to certain adjustments, (ii) $4,800,000 in assumed debt, (iii) 22,500 shares of Holdings' Preferred Stock with a liquidation preference of $22,500,000, and (iv) 42,500 shares of Holdings' Common Stock, valued at $8,500,000. In addition, Holdings and its subsidiaries assumed substantially all of the third party current liabilities relating to the Safety Business (approximately $19,800,000 as of June 30, 1995). For accounting purposes, no value has been ascribed to the Common Stock or Preferred Stock of Holdings on Cabot's consolidated financial statements.

After giving effect to the restructuring and related transactions, the outstanding equity of Holdings is owned by CSC, Vestar Equity Partners, L.P. and affiliated investors ("Vestar") and the management of New CSC. CSC and Vestar own equal interests in Holdings' Preferred Stock and Common Stock and the management of New CSC owns the remaining Holdings' Common Stock, approximately fifteen percent. John D. Curtin, Jr., Chairman and CEO of New CSC and a director of Holdings, resigned as Executive Vice President and a director of Cabot on July 14, 1995. Under the restructuring, two of Holdings' directors will be designated by Cabot.

Item 7. Financial Statements and Exhibits.

Listed below are the pro forma financial information and exhibits filed as part of this report.

(a) Pro forma consolidated financial statements of Cabot adjusted to reflect the disposition of assets related to the Safety Business are attached hereto at pages 4 through 8.

(b) Exhibits.

The exhibit numbers correspond to the numbers assigned to such exhibits in the Exhibit Table of Item 601 of Regulation S-K.

Exhibit Number	Description
2(a)	Asset Transfer Agreement, dated as of June 13, 1995, among Cabot Safety Corporation, Cabot Canada Ltd., Cabot Safety Limited, Cabot Corporation, Cabot Safety Holdings Corporation and Cabot Safety Acquisition Corporation, filed herewith.
2(b)	Stockholders' Agreement, dated as of July 11, 1995, among Vestar Equity Partners, L.P., Cabot CSC Corporation, Cabot Safety Holdings Corporation, Cabot Corporation and various other parties thereto, filed herewith.

The registrant hereby agrees to furnish supplementally to the Commission upon request by the Commission a copy of any exhibit or schedule to the Exhibits listed above, which exhibit or schedule is not filed herewith.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CABOT CORPORATION

By: /s/ John G. L. Cabot
Name: John G. L. Cabot
Title: Vice Chairman of the Board

Dated: July 26, 1995

Cabot Corporation
Pro Forma Balance Sheet (unaudited)
March 31, 1995
(Dollars in Thousands)

The following unaudited pro forma balance sheet shows the effect of the deconsolidation of the assets and liabilities of Cabot's Safety Business transferred to Cabot Safety Holdings Corporation and Cabot Safety Acquisition Corporation (collectively with their subsidiaries "New Cabot Safety") from the financial position of Cabot Corporation and consolidated subsidiaries as of March 31, 1995, after giving effect to the adjustments described in the accompanying notes. Cabot's investment in New Cabot Safety is accounted for under the equity method after the transaction. Cabot's book value in New Cabot Safety after the transaction is zero dollars as promulgated by generally accepted accounting principles.

This pro forma balance sheet in not necessarily indicative of the actual financial position had the sale of these net assets occurred at March 31, 1995.

This statement should be read in conjunction with the audited financial statements of Cabot Corporation filed with the Securities and Exchange Commission (the "SEC") in its Form 10-K for the fiscal year ended September 30, 1994 and the unaudited financial statements of Cabot Corporation filed with the SEC in its Form 10-Q for the six months ended March 31, 1995.

	Unaudited Actual	Cabot's Safety Business	Adjustments (Note B)	Cabot's Unaudited Pro Forma
ASSETS:				
Current assets:				
Cash and cash equivalents	$ 34,069	$ 0		$ 34,069
Accounts and notes receivable	327,451	28,982		298,469
Inventories	259,751	29,322		230,429
Prepaid expenses	11,832	1,171		10,661
Deferred income taxes	22,512			22,512
Total current assets	655,615	59,475	0	596,140
Investments:				0
Equity	88,902	0		88,902
Other	105,537	0		105,537
Total investments	194,439	0	0	194,439
Investment in Safety business	0	(113,681)	(128,002)(a) 14,321 (b)	0
Property, plant and equipment:				
At cost	1,474,988	68,617		1,406,371
Less accumlated depreciation and amortization	(749,177)	(34,496)		(714,681)
	725,811	34,121	0	691,690
Intangible assets	70,792	63,150		7,642
Deferred income taxes	6,723	(12,400)		19,123
Other assets	35,604	0		35,604
Total other assets	113,119	50,750	0	62,369
Total Assets	$ 1,688,984	$ 30,665	$ (113,681)	$ 1,544,638

See accompanying notes

Cabot Corporation
Pro Forma Balance Sheet (unaudited)
March 31, 1995
(Dollars in Thousands)

	Unaudited Actual	Cabot's Safety Business	Adjustments (Note B)	Unaudited Pro Forma
LIABILITIES AND STOCKHOLDERS' EQUITY:				
Current liabilities:				
Notes payable to banks	$ 148,425	$ 0	$ (128,002)(a)	$ 20,423
Current portion of LT debt	14,747	172		14,575
Accounts payable and accrued liabilities	271,245	17,108		254,137
U.S. and foreign income taxes	20,519			20,519
Deferred income taxes	3,944	741		3,203
Total current liabilities	458,880	18,021	(128,002)	312,857
Long-term debt	301,380	4,571		296,809
Deferred income taxes	124,305	8,073		116,232
Other liabilities	149,183			149,183
Stockholders' equity:				
Preferred stock	75,336			75,336
Common stock	67,775			67,775
Additional paid-in capital	6,764			6,764
Retained earnings	984,792		14,321 (b)	999,113
	1,134,667	0	14,321	1,148,988
Deferred employee benefits	(66,670)			(66,670)
Treasury stock, at cost	(475,866)			(475,866)
Unrealized gain on marketable securities	22,995			22,995
	615,126	0	14,321	629,447
Foreign currency translation adjustments	40,110			40,110
Total stockholders' equity	655,236	0	14,321	669,557
Total liabilities and stockholders' equity	$ 1,688,984	$ 30,665	$ (113,681)	$ 1,544,638

See accompanying notes

Cabot Corporation
Pro Forma Statement of Income (unaudited)
For the Fiscal Year ended September 30, 1994
(Dollars in Thousands)

The following unaudited pro forma income statement deconsolidates the results of operations of Cabot's Safety Business sold to New Cabot Safety from the results of operations of Cabot Corporation and consolidated subsidiaries for the year ended September 30, 1994, after giving effect to the adjustments described in the accompanying notes.

This pro forma gives effect as if the disposition occurred on October 1, 1993. This proforma income statement is not necessarily indicative of the results which actually would have occurred if the transfer of these assets occured at October 1, 1993 or which may occur in the future.

This statement should be read in conjunction with the audited financial statements of Cabot Corporation filed with the Securities and Exchange Commission (the "SEC") in its Form 10-K for the fiscal year ended September 30, 1994 and the unaudited financial statement of Cabot Corporation filed with the SEC in its Form 10-Q for the six months ended March 31, 1995.

	Actual	Cabot's Safety Business	Adjustments (Note C)	Unaudited Pro Forma
Revenues:				
Net sales and other operating revenues	$ 1,679,819	$ 178,472		$ 1,501,347
Interest and dividend income	6,742			6,742
Total revenues	1,686,561	178,472	0	1,508,089
Costs and expenses:				
Cost of sales	1,234,272	99,532		1,134,740
Selling and administrative expenses	222,069	51,920		170,149
Research and technical services	48,701	2,733		45,968
Interest expense	41,668	5,819	3,141(a)	32,708
Specialty Chemical and Materials Group restructuring	(4,000)			(4,000)
Gain on resolution of matters from divested energy businesses	(10,210)			(10,210)
Other (income) charges, net	35,736	5,464		30,272
Total costs and expenses	1,568,236	165,468	3,141	1,399,627
Income before income taxes	118,325	13,004	3,141	108,462
Income taxes	(44,963)	(5,018)	(1,162)(a)	(41,107)
Equity in net income of affiliated companies	5,329			5,329
Net income	$ 78,691	$ 7,986	$ 1,979	$ 72,684
Net income per share:				
Primary	$ 1.96	$ 0.21	$ 0.05	$ 1.80
Fully Diluted	$ 1.84			$ 1.70

See accompanying notes

Cabot Corporation
Pro Forma Statement of Income (unaudited)
For the Six Months Ended March 31, 1995
(Dollars in Thousands)

The following unaudited pro forma income statement deconsolidates the results of operations of Cabot's Safety Business sold to New Cabot Safety from the results of operations of Cabot Corporation and consolidated subsidiaries for the six months ended March 31, 1995, after giving effect to the adjustments described in the accompanying notes.

This pro forma gives effect as if the disposition occurred on October 1, 1994. This proforma income statement in not necessarily indicative of the results which actually would have occurred if the transfer of these assets occured at October 1, 1994 or which may occur in the future.

This statement should be read in conjunction with the audited financial statements of Cabot Corporation filed with the Securities and Exchange Commission (the "SEC") in its Form 10-K for the fiscal year ended September 30, 1994 and the unaudited financial statements of Cabot Corporation filed with the SEC in its Form 10-Q for the six months ended March 31, 1995.

	Unaudited Actual	Cabot's Safety Business	Adjustments (Note C)	Unaudited Pro Forma
Revenues:				
Net sales and other operating revenues	$ 909,299	$ 97,704		811,595
Interest and dividend income	4,441			4,441
Total revenues	913,740	97,704	0	816,036
Costs and expenses:				
Cost of sales	626,250	55,182		571,068
Selling and administrative expenses	118,028	28,204		89,824
Research and technical services	26,503	1,585		24,918
Interest expense	18,908	3,577	903(a)	14,428
Specialty Chemical and Materials Group restructuring				0
Gain on resolution of matters from divested energy businesses				0
Other (income) charges, net	7,991	2,813		5,178
Total costs and expenses	797,680	91,361	903	705,416
Income before income taxes	116,060	6,343	903	110,620
Income taxes	(42,771)	(2,343)	(334)(a)	(40,762)
Equity in net income of affiliated companies	6,998			6,998
Net income	$ 80,287	$ 4,000	$ 569	$ 76,856
Net income per share:				
Primary	$ 2.03	$ 0.10	$ 0.01	$ 1.94
Fully Diluted	$ 1.89			$ 1.80

See accompanying notes

Cabot Corporation
Notes to Pro Forma Financial Statements

Note A. Basis of Presentation

On July 11, 1995, subsidiaries of the Company completed the restructuring of the ownership of its Safety Business as more fully described in item 2 of this Form 8-K. The transaction is accounted for as a sale, with an aggregate selling price consisting of approximately $169.2 million cash, subject to certain adjustments, assumption of approximately $4.8 million in debt, 42,500 shares of Cabot Safety Holdings Corporation ("Holdings") common stock, representing a 42.5% ownership interest, and $22.5 million of Holdings non-voting 12.5% preferred stock. In addition, Holdings and its subsidiaries assumed substantially all of the third party current liabilities relating to the Safety Business (approximately $19.8 million as of June 30, 1995).

The pro forma statement of income for the year ended September 30, 1994 includes the audited consolidated statement of income for Cabot Corporation. The pro forma combined balance sheet and statement of income for the six months ended March 31, 1995 includes the unaudited financial statements of Cabot Corporation.

Note B. Adjustment to the Balance Sheet

The balance sheet as of March 31, 1995, gives effect to the following pro forma adjustments:

a. To record cash proceeds as a reduction of notes payable to banks.

b. To record gain on sale of safety business.

Note C. Adjustment to Statements of Income

The statements of income for the year ended September 30, 1994 and the six months ended March 31, 1995 give effect to the following pro forma adjustments:

a. To record reduction of interest expense and associated tax effect resulting from a reduction of notes payable to banks by the after-tax proceeds of approximately $128.0 million.

Note D. Preferred Stock

Dividends accrue on the $22.5 million of Holdings preferred stock at 3.125% per quarter and are cumulative. Dividends are payable in cash, or at the sole discretion of New Safety, in additional Holdings preferred stock. No dividend income has been reflected in these pro forma statements due to the uncertainty of realizing, in cash, the dividends.

EXHIBIT 2(a)

ASSET TRANSFER AGREEMENT

among

CABOT SAFETY CORPORATION,

CABOT CANADA LTD.,

CABOT SAFETY LIMITED,

CABOT CORPORATION,

CABOT SAFETY HOLDINGS CORPORATION

and

CABOT SAFETY ACQUISITION CORPORATION

Dated as of June 13, 1995

TABLE OF CONTENTS

Schedules

Exhibits

Page

ASSET TRANSFER AGREEMENT, dated as of June 13, 1995 (this "Agreement"), among CABOT SAFETY CORPORATION, a Delaware corporation ("CSC"), CABOT CANADA LTD., an Ontario corporation ("CSC Canada"), CABOT SAFETY LIMITED, a limited liability company formed under the laws of England ("CGB"; CSC, CGB and CSC Canada, collectively, the "Sellers"; each, a "Seller"), CABOT CORPORATION, a Delaware corporation ("Cabot"), CABOT SAFETY HOLDINGS CORPORATION, a Delaware corporation ("Holdings"), and CABOT SAFETY ACQUISITION CORPORATION, a Delaware corporation ("New Cabot Safety"; together with Holdings, the "Buyer").

W I T N E S S E T H :

WHEREAS, Sellers own and operate a personal protection safety equipment and noise, vibration and shock control products business conducted through a Safety Products unit and a Specialty Composites unit (collectively, the "Business");

WHEREAS, upon and subject to the terms and conditions set forth herein, CSC desires to transfer certain assets to Holdings in exchange for Holdings Stock (as defined in subsection 2.2(a) of this Agreement); and

WHEREAS, upon and subject to the terms and conditions set forth herein, New Cabot Safety desires to buy (directly and through newly-formed subsidiaries) and Sellers desire to sell the Business and all assets in connection therewith (with exceptions as set forth herein), and New Cabot Safety is willing to assume (including through newly-formed subsidiaries) certain related liabilities and obligations of Sellers associated with the Business, all as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants of the parties hereto, it is hereby agreed as follows:

1. Transfer and Purchase of Assets; Assumption of Certain Liabilities

1.1. Transfer and Purchase of Assets. On the basis of the representations, warranties, covenants and agreements and subject to the satisfaction (or waiver by the party whose obligations hereunder are subject to such satisfaction) of the conditions set forth in this Agreement, on the Closing Date (as defined in Section 2.1):

(i) CSC shall convey, assign, transfer and deliver to Holdings all of its right, title and interest in and to those Assets (as defined below) listed on Schedule 1.1A (the "Exchanged Assets") in exchange for (i) the Holdings Stock (as defined in 2.2(a)) and (ii) $19,000,000, in a transaction which, together with Holdings' issuance

of Holdings Stock to the holders set forth on Schedule 3.2(e) hereto, the parties intend to qualify as a transfer of Assets to a controlled corporation within the meaning of Section 351(a) of the Internal Revenue Code of 1986, as amended (the "Code") (a "Section 351 Transfer");

(ii) CSC shall sell, convey, assign, transfer and deliver to New Cabot Safety (and, with respect to certain Assets identified by New Cabot Safety, one or more wholly owned subsidiaries of New Cabot Safety designated in accordance with Section 10.7) all of its right, title and interest in and to all the Assets other than the Exchanged Assets in exchange for the Purchase Price (as defined in subsection 2.2(e) of this Agreement);

(iii) CGB shall sell, convey, assign, transfer and deliver all of its right, title and interest in and to the Assets to a United Kingdom subsidiary of Buyer to which Buyer shall have assigned certain of its rights hereunder (the "U.K. Assignee");

(iv) CSC Canada shall sell, convey, assign, transfer and deliver all of its right, title and interest in and to the Assets to a Canadian subsidiary of Buyer to which Buyer shall have assigned certain of its rights hereunder (the "Canadian Assignee"); and

(v) each of Holdings, New Cabot Safety, and such assignees of New Cabot Safety shall purchase, acquire and receive, as the case may be, from such respective Sellers, all of the relevant Seller's right, title and interest in and to the Assets.

For the purposes of this Agreement, the term "Assets" shall mean all of the assets, rights, properties, claims, contracts and business of the Sellers of every kind, nature, character and description, tangible and intangible, real, personal or mixed, wherever located, that are used in, arise from or otherwise relate to the Business, including, without limitation, the following to the extent they are used in, arise from or otherwise relate to the Business, other than the Excluded Assets:

(a) All contracts and agreements (whether or not entered into in the ordinary course of the Seller's business), including all unfilled purchase and sale orders, invoices, contracts and commitments;

(b) The leasehold interests in real property leased by each Seller and listed on Schedule 3.1(f)(ii), including all buildings, structures and other improvements situated thereon;

(c) The real property owned by each Seller and listed on Schedule 3.1(f)(ii), including all buildings, structures and other improvements situated thereon;

(d) All accounts and notes receivable and other receivables (the "Receivables"), other than intercompany accounts and notes receivable, of each Seller in existence on or prior to the opening of business on the Closing Date (whether or not billed);

(e) All equipment, furniture, furnishings, fixtures, machinery, vehicles, telephones and other tangible personal property of each Seller (collectively, the "Equipment") and all warranties and guarantees, if any, express or implied, existing for the benefit of any Seller with respect to the Equipment;

(f) All inventories or raw materials, work in progress and finished goods and other supplies on hand, in transit or on order as of the opening of business on the Closing Date, including, without limitation, packaging material, stationery, forms, labels, directories and promotional materials (the "Inventory");

(g) All of the issued and outstanding capital stock and rights in respect of such capital stock of each entity listed in Schedule 3.1(u) and not designated otherwise by Buyer prior to the Closing Date (the "Foreign Sales Companies");

(h) All books and records, management information systems and software, and customer lists, vendor lists, catalogs, research material, technical information, technology, specifications, designs, drawings, processes, and quality control data;

(i) All sales promotion and selling literature and promotional and advertising materials;

(j) All licenses, permits or franchises issued by any domestic or foreign governmental authority or other third party;

(k) All security (including cash) deposited with third parties and security bonds which relate exclusively to the Business to the extent included in the calculation of the Net Operating Asset Amount;

(l) All goodwill and going concern value;

(m) All prepaid expenses as of the opening of business on the Closing Date;

(n) All claims against other parties, other than counterclaims to claims included in the Excluded Liabilities; and

(o) All of each Seller's right, title and interest in and to the following types of property (including all rights to sue for past infringement thereof) (collectively, the "Intellectual Property"):

(i) all United States and foreign registered and unregistered trademarks and service marks, trademark and service mark registrations, trademark and service mark applications for registration, trade names and the like (including such use, and only such use, of the "Cabot Safety" name as is permitted under the Trademark Coexistence Agreement in the form attached hereto as Exhibit B (the "Trademark Coexistence Agreement")), together with the goodwill connected with the use of and symbolized by such marks, names, registrations and applications for registration;

(ii) all United States and foreign patents, patent applications, and all other patent rights, copyrights, copyright registrations and copyright applications;

(iii) all information, recorded knowledge, surveys, engineering reports, manuals, catalogues, research data, proprietary information, know-how, trade and business secrets, photos, art work, editorial materials, formats, syndicated market research data, sales data and other similar information and all other intellectual property; and

(iv) all non-governmental licenses, sublicenses, covenants or agreements to which any Seller is a party, which relate in whole or in part to any items of the categories mentioned above in clauses (i) through (iii), including all trademark licenses.

1.2. Excluded Assets. Notwithstanding anything to the contrary in Section 1.1, it is expressly understood and agreed that the Assets shall not include the following assets (the "Excluded Assets"):

(a) assets (including, without limitation, assets of the type listed in Section 1.1) used or owned in connection with Cabot's and CSC Canada's carbon black business;

(b) any capital stock other than that of the Foreign Sales Companies;

(c) the tax returns, corporate minute books and stock ledgers of any Seller;

(d) all cash and cash equivalents or similar type investments, such as certificates of deposit, Treasury bills and other marketable securities, of the Sellers (even if otherwise used in the Business);

(e) the intercompany notes held by the Sellers other than intercompany notes between any Seller and any Foreign Sales Company;

(f) any accounts receivable due from Cabot or any of its wholly or partially owned subsidiaries, other than accounts receivable due from them to a Foreign Sales Company;

(g) the Chickasha Property;

(h) any use of the Cabot Safety or Cabot names not specifically permitted under the Trademark Coexistence Agreement; and

(i) all services, agreements and contracts provided by Cabot and Sellers to the Business.

1.3. Instruments of Conveyance and Transfer. On the Closing Date, Sellers shall (a) deliver or cause to be delivered to Buyer such deeds, bills of sale, endorsements, consents, assignments, and other good and sufficient instruments of conveyance and assignment, all in recordable form, where applicable, as are required under local custom and practice to vest in Buyer all right, title and interest of Sellers in and to the Assets, free and clear of any Lien (except for Permitted Encumbrances), and as will otherwise be in form and substance reasonably satisfactory to Buyer and Buyer's counsel; and (b) transfer to Buyer originals of all contracts, agreements, commitments, books, records, files, certificates, licenses, permits, plans and specifications and other data included in the Assets, including, without limitation, computer tapes and computer-generated records. All materials referred to in subsection (b) shall be delivered to Buyer in the form and order in which they are maintained by Sellers. Notwithstanding the foregoing clause (a), with respect to the Intellectual Property, Sellers shall deliver to Buyer at the Closing an omnibus assignment of the Intellectual Property included in the Assets and shall thereafter deliver to Buyer good and sufficient instruments of conveyance and assignment, all in recordable form, for all registered trademarks, patents, registered copyrights and pending applications with respect to any of the foregoing.

1.4. Further Assurances. From time to time after the Closing Date, Sellers, Cabot and any person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with (an "Affiliate") Sellers or Cabot shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance,

assignment, transfer and delivery and will take or cause to be taken such other actions as Buyer may reasonably request in order more effectively to sell, convey, assign, transfer, and deliver to Buyer any of the Assets, or to enable Buyer to protect, exercise and enjoy all rights and benefits of Sellers with respect thereto, and as otherwise may be appropriate to carry out the transactions herein contemplated.

1.5. Assumed Liabilities. On the basis of the representations, warranties, covenants and agreements, and subject to the satisfaction of the conditions set forth in this Agreement and further subject to Section 1.6, on the Closing Date Buyer (or its subsidiaries, as the case may be) shall deliver to Sellers an assumption agreement (an "Assumption Agreement"), in form and substance reasonably satisfactory to the Sellers and Buyer, pursuant to which Buyer shall, on and as of the Closing Date, assume and agree to pay, perform and discharge when due, all liabilities and obligations of the Sellers (other than the Excluded Liabilities) relating to or arising out of the Business as conducted through the Closing Date, whether direct or indirect, absolute or contingent, contractual, tortious or otherwise. The liabilities and obligations assumed by Buyer (or its subsidiaries, as the case may be) in accordance with this Section 1.5 (other than the Excluded Liabilities described below) are sometimes hereinafter referred to as the "Assumed Liabilities."

1.6. Excluded Liabilities. Notwithstanding the foregoing, Buyer shall not assume any of the following liabilities (the "Excluded Liabilities"):

(a) any liability or obligation in respect of any Indebtedness other than the IRB Indebtedness and the Indianapolis Mortgage Indebtedness (for the purposes hereof, "Indebtedness" shall mean (i) all indebtedness for borrowed money, (ii) any other indebtedness evidenced by a note, bond, debenture or similar instrument, (iii) all obligations in respect of banker's acceptances and (iv) any guarantee of any of the foregoing; the "IRB Indebtedness" means Indebtedness under the 6.4% Notes due 2003 under the Indenture in respect thereof dated September 1, 1978, with the Bank of Delaware, as Trustee, and the Bonds issued in connection with the Loan Agreement dated as of June 1, 1982, between the City of Indianapolis and Cabot; and the "Indianapolis Mortgage Indebtedness" means Indebtedness under the Note dated April 16, 1991, secured by the mortgage covering the property at 5457 West 79th Street, Indianapolis, Indiana);

(b) any liability or obligation relating to or otherwise arising under any litigation, proceeding or other claim against any Seller or any of their Affiliates which, to the best knowledge of Sellers or Cabot, is pending on or threatened in writing on or prior to the Closing Date, other than ordinary course product returns and warranty claims and other than accounts payable assumed by Purchaser pursuant to Section 1.5;

(c) any liability for or obligation in respect of Taxes, or any liability for the payment of any "excess parachute payment", as defined in Section 280G of the Code;

(d) any liability relating to the parcel of real property located in Chickasha described on Schedule 1.6(d) or any improvements located thereon (the "Chickasha Property");

(e) except as specifically provided in Section 6.2 or related to accrued reimbursement, welfare, vacation and similar benefit obligations incurred in the ordinary course of business and reflected in the Financial Information, any liabilities or obligations relating to or arising under any employee or retirement benefit plan, program, arrangement or agreement maintained or contributed to by any Seller or their respective Affiliates;

(f) any cash overdraft liability;

(g) any liabilities or obligations that are not incidental to or do not arise out of or were not incurred with respect to the Business;

(h) liabilities or obligations under any contract, agreement or other arrangement not reflected in the Financial Information pursuant to which Cabot, any Seller or any of their respective Affiliates prior to the Closing Date agreed to sell any assets or business which was then owned by or conducted by any Seller or was otherwise then associated with the Business (other than sales of assets in the ordinary course of business), and any liabilities not reflected in the Financial Information to the extent related to any discontinued business of Sellers that is not included in the Business on the Closing Date, it being understood that notwithstanding any general reference in the Financial Information to the Rastronics business previously owned by Sellers, liabilities and obligations under the agreement pursuant to which such business was sold shall be an Excluded Liability;

(i) any liability or payable owing to Cabot or any of its Affiliates, other than liabilities owed to them by a Foreign Sales Company; and

(j) in the event and for so long as Respirator Liability Retention is in effect in accordance with Section 4.12, any liability or obligation relating to or otherwise arising under any litigation, proceeding or other claim against any Buyer or any Seller or any of their respective Affiliates or other parties with whom any Seller directly or indirectly has contractual liability sharing arrangements, which liability, proceeding or other claim sounds in product liability or related causes of action arising out of actual or alleged Respirator Medical Conditions caused or allegedly caused by the use of respirators or similar devices sold by the Sellers or their

predecessors (including, without limitation, American Optical Corporation and its predecessors) prior to the Closing Date. "Respirator Medical Conditions" are medical conditions involving exposure to asbestos, silica or silica products. Respirator Medical Conditions are typically suspected to involve and/or diagnosed as asbestosis, mesothelioma, silicosis or related long latency diseases.

2. Closing; Exchange Consideration at Closing

2.1. Closing Date. On and subject to the conditions herein set forth, the closing with respect to the transactions provided for in this Agreement (the "Closing") shall take place at the offices of Simpson Thacher & Bartlett, located at 425 Lexington Avenue, New York, New York 10017-3954, at 10 a.m., New York City time, as soon as practicable following the expiration or termination of any waiting periods or extensions thereof under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "Antitrust Improvements Act"), or at such other time and place as shall be agreed upon by the parties hereto. The actual time and date of the Closing are herein referred to as the "Closing Date".

2.2. Exchange Consideration; Closing Date Transactions. (a) In exchange for the Assets transferred to it by CSC pursuant to subsection 1.1(i) hereof, and subject to the terms and conditions of this Agreement, Holdings shall on the Closing Date (i) issue and deliver to CSC 42,500 shares of common stock of Holdings, par value $.01 (the "Common Stock"), (ii) issue and deliver to CSC a number of shares of its Preferred Stock (as defined below) having an aggregate initial stated value and liquidation preference equal to the Required Preferred Amount (the capital stock of Holdings delivered pursuant to the foregoing clauses (i) and (ii) being hereinafter referred to as the "Holdings Stock") and (iii) transfer to CSC $19,000,000 in cash. For the purposes hereof, the "Required Preferred Amount" shall be $22,500,000 if the funding contemplated by subsection 5.2(e) includes a tranche of long-term high-yield securities issued and sold by New Cabot Safety in the institutional high-yield debt market ("High Yield Securities"). If such funding does not include a tranche of High Yield Securities, the Required Preferred Amount shall be $25,000,000. "Preferred Stock" shall mean preferred stock of Holdings having the terms set forth in Exhibit E hereto.

(b) In consideration for the Assets transferred to it by CSC pursuant to subsection 1.1(ii) hereof, and subject to the terms and conditions of this Agreement, New Cabot Safety shall on the Closing Date (i) assume the Assumed Liabilities attributable to CSC (other than those being assumed by its designated subsidiaries pursuant to subsections 2.2(c) or (d) or pursuant to Section 10.7) as provided in Section 1.5 and (ii) pay to CSC a purchase price, in cash, equal to the Cash Amount less the sum of the cash amounts set forth in clauses 2.2(a)(iii), (c) and (d) below. If, and only if, the funding contemplated by subsection 5.2(e) does not

include a tranche of High Yield Securities, and the amount of funded senior bank debt financing (not including the working capital facility contemplated by subsection 5.2(e)) comprising such funding is equal to or greater than $135,000,000 but less than $145,000,000, on the Closing Date New Cabot Safety will issue and deliver to CSC Subordinated Notes in an aggregate principal amount equal to the excess, if any, of $145,000,000 over the aggregate amount of such senior bank debt financing provided on the Closing Date. For the purposes hereof, the "Cash Amount" means an amount equal to $205 million less (i) $8.5 million (common equity contribution) less (ii) the agreed value (based, as applicable, on the price per share of Common Stock paid by the other holders thereof on the Closing Date) of the management equity incentives issued by Holdings in substitution for equity options currently held by members of CSC management less (iii) the Required Preferred Amount, less (iv) the amount equal to the principal amount of IRB Indebtedness and Indianapolis Mortgage Indebtedness outstanding on the Closing Date and accrued and unpaid interest thereon at the Closing Date, less (v) the aggregate principal amount of Subordinated Notes, if any, issued and delivered to CSC on the Closing Date, as provided above. For purposes hereof, "Subordinated Notes" means the notes of New Cabot Safety having the terms set forth in Exhibit D hereto.

(c) In consideration for the Assets transferred to it by CSC Canada pursuant to subsection 1.1(iii), and subject to the terms and conditions of this Agreement, the Canadian Assignee shall on the Closing Date (i) assume the Assumed Liabilities attributable to CSC Canada as provided in Section 1.5 and (ii) pay to CSC Canada a purchase price, in cash, equal to the Canadian Dollar equivalent of U.S. $6 million.

(d) In consideration for the Assets transferred to it by CGB pursuant to subsection 1.1(iii), and subject to the terms and conditions of this Agreement, the U.K. Assignee shall on the Closing Date (i) assume the Assumed Liabilities attributable to CGB as provided in Section 1.5 and (ii) pay to CGB a purchase price, in cash, equal to the British Pound Sterling equivalent of U.S. $16 million.

(e) The value of the consideration paid or exchanged pursuant to subsection 2.2(b), (c) and (d) above (the "Purchase Price") shall be allocated among New Cabot Safety and its Subsidiaries in the manner set forth in Schedule 2.2(e). Buyer and Sellers agree to act in accordance with such allocations in all Tax returns, reports and filings unless otherwise required under applicable law. All payments of the cash portion of the Purchase Price delivered to the Buyer pursuant to this Section 2.2 shall be made to the order of the Sellers on the Closing Date in New York City in immediately available funds to such account or accounts as CSC shall have advised Buyer in writing no less than two business days prior to the Closing Date.

2.3. Net Operating Assets Adjustment. (a) Not later than 60 days following the Closing Date, Buyer shall cause a schedule (the "Closing Date Schedule") in the form of Exhibit G setting forth the Net Operating Asset Amount (as defined below) to be prepared. Upon the availability thereof, Buyer shall deliver such Closing Date Schedule to CSC, accompanied by a certificate of the chief financial officer of Buyer stating that the Closing Date Schedule has been prepared in accordance with GAAP, consistently applied, and the requirements of this Agreement and represents fairly in all material respects the Net Operating Assets Amount. Sellers shall make available to Buyer, at Buyer's expense, such books and records relating to the Business as are in the possession or under the control of Sellers as are reasonably necessary to facilitate the preparation of the Closing Date Schedule. Cabot, Sellers, and their independent accountants shall be afforded access to any work papers prepared by Buyer or their independent accountants in the preparation of the Closing Date Schedule. If the Net Operating Assets Amount reflected on the Closing Date Schedule is less than $72,000,000, CSC shall make a cash payment to Buyer within 12 months of the Closing Date in the amount of such difference (as established in accordance with paragraph (b) below, if necessary) together with interest from the Closing Date to the date of payment at the federal funds rate. If the Net Operating Assets Amount reflected on the Closing Date Schedule exceeds $72,000,000, Buyer shall make a cash payment to CSC within 12 months of the Closing Date in the amount of such difference (as established in accordance with paragraph (b) below, if necessary) together with interest from the Closing Date to the date of payment at the federal funds rate. Any dispute as to the Closing Date Schedule, the Net Operating Assets Amount or the amount of any payment to be made pursuant to this Section 2.3 shall be resolved in accordance with subsection (b) below. For the purposes hereof, "Net Operating Assets Amount" shall mean (A) the sum of the book value of (i) net accounts receivable, (ii) net inventory, (iii) other net current assets and (iv) net property, plant and equipment less (B) the sum of (i) payables, (ii) accrued liabilities and (iii) any other contingencies or reserves for Assumed Liabilities which, in accordance with GAAP, should be reflected on a balance sheet for the Business as of the close of business on the Closing Date. The book value of each item included in the Closing Date Schedule shall be prepared in accordance with GAAP and as otherwise specified in Exhibit G, provided that in no event shall any item be reflected therein if such item is not an Asset or is an Excluded Liability or if such item is a reserve or allowance that does not relate to an Asset or Assumed Liability.

(b) In the event Sellers dispute the Closing Date Schedule, the Net Operating Assets Amount or the amount of any payment to be made pursuant to this Section 2.3, Sellers shall, no later than 60 days after the date of delivery, describe to Buyer in reasonable written detail the basis for such dispute, and Buyer and Sellers shall promptly negotiate in good faith to resolve such dispute. If such dispute is not resolved within 30 days after Sellers have notified Buyer of its basis for such

dispute, then the specific matters in dispute shall be submitted to a nationally recognized accounting firm mutually acceptable to Buyer and Sellers. Such firm shall resolve such dispute on the basis of the requirements for the Closing Date Schedule as set forth in this Agreement as applied to the books and records of the Business. Such firm shall be requested to provide its resolution of the matters in dispute within 30 days of the submission thereof to such firm. The determination of such firm, whose costs and expenses shall be borne equally by Buyer and Sellers, as to the Net Operating Assets Amount shall be final and determinative.

3. Representations and Warranties

3.1. Representations and Warranties of Seller and Cabot. Each Seller and Cabot jointly and severally represent and warrant to Buyer as follows (provided that, as used herein, "to the best knowledge of Sellers and Cabot" means that Sellers and Cabot will be deemed to have knowledge of those matters (and only those matters) with respect to which any of the persons listed on Schedule 3.1A have actual knowledge and that, as used herein, in the reasonable judgment of Sellers and Cabot means the reasonable business judgment of any of the persons listed on Schedule 3.1A):

(a) Due Organization; Power; Capacity; Good Standing. Each of Cabot and each Seller is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has the requisite corporate power and authority to own, lease and operate its properties and assets and to conduct its business as now conducted by it. Each of Cabot and each Seller has all requisite corporate and other power and authority to enter into this Agreement and any other agreement contemplated hereby and to perform its obligations hereunder and thereunder. Each Seller is duly authorized, qualified or licensed to do business as a foreign corporation, and is in good standing, in each of the jurisdictions in which its right, title or interest in or to any of the assets held by it, or the conduct of its business, requires such authorization, qualification or licensing, except where the failure to so qualify or to be in good standing is a circumstance that would not reasonably be expected to have a material adverse effect on the condition (financial or other), results of operations, assets, properties, business or prospects of the Business, the Assets or the Assumed Liabilities or materially impair Sellers' or Cabot's ability to perform its respective obligations hereunder or under any other agreement contemplated hereby (herein called a "Material Adverse Effect").

(b) Authorization and Validity. The execution, delivery and performance by each of Cabot and each Seller of this Agreement and any other agreements contemplated hereby and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by the respective Board

of Directors of such Seller and Cabot and the stockholders of such Seller, and by all other necessary corporate action. No other corporate or stockholder action is necessary for the authorization, execution, delivery and performance by Sellers or Cabot of this Agreement and any other agreements contemplated hereby and the consummation by Sellers and Cabot of the transactions contemplated hereby or thereby. This Agreement has been, and such other agreements will on the Closing Date be, duly executed and delivered by each of Cabot and each Seller, as applicable, and constitutes, or will constitute, as the cases may be, a valid and legally binding obligation of each of them, enforceable against them in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally, by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) or by an implied covenant of good faith and fair dealing.

(c) No Governmental Approvals or Notices Required; No Conflict. Except as set forth in Schedule 3.1(c), the execution, delivery and performance of this Agreement and any other agreements contemplated hereby by Sellers or Cabot and the consummation by Sellers and Cabot of the transactions contemplated hereby and thereby (i) will not violate (with or without the giving of notice or the lapse of time or both), or require any consent, approval, filing or notice under, any provision of any law, rule or regulation, court or administrative order, writ, judgment or decree applicable to any of the Assets, any Seller or Cabot, or any of their respective assets or properties, except for such violations the occurrence of which, and such consents, approvals, filings or notices the failure of which to obtain or make, would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and (ii) will not (with or without the giving of notice or the lapse of time or both) (x) violate or conflict with, or result in the breach, suspension or termination of any provision of, or constitute a default under, or result in the acceleration of the performance of the obligations of Cabot or any Seller under, or (y) result in the creation of any lien, mortgage, pledge, security interest, claim, charge, cloud, imperfection or encumbrance or other restriction of any kind or nature (collectively, "Encumbrances") upon all or any portion of the Assets or the Business pursuant to, the charter or by-laws of Cabot or any Seller or any indenture, mortgage, deed of trust, lease, agreement, contract or instrument to which Cabot or any Seller is a party or by which Cabot or any Seller or any of their respective assets or business comprising any part of the Assets or Business is bound, except for such violations, conflicts, breaches, suspensions, terminations, defaults, accelerations or Encumbrances which, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. Except as contemplated by Section 10.10, none of Cabot or any of the Sellers is subject to any obligation, agreement, commitment or restraint that in any way purports to limit the business that Buyer may engage in following the Closing.

(d) Financial Information; Liabilities. (i) The audited combined balance sheets of the Business as at September 30 for each of the years 1991 through 1994 and the unaudited combined balance sheets of the Business as at March 31, 1995 and the related combined statements of income and retained earnings and combined statements of cash flows for the fiscal year or six-month period ended on such dates, reported on (in the case of such audited financial statements) by Coopers & Lybrand, copies of which have been furnished to Buyer, present fairly the combined financial condition of the Business as at such dates and the combined results of the operations of the Business for the fiscal year or six-month period then ended, provided, that such interim statements do not include notes required by GAAP and are subject to year-end adjustments. The unaudited combined comparative balance sheets of the Business at March 31, 1995 and March 31, 1994, and the related unaudited combined statements of income of the Business for the six months ended on each such date, copies of which have been furnished to Buyer, present fairly the combined financial condition of the Business as of such dates, and the combined results of the operations of the Business for the periods then ended (subject to normal year-end audit adjustments). All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with generally accepted accounting principles in the United States as in effect from time to time, applied consistently throughout the periods involved ("GAAP"), except as noted therein. To the best knowledge of Sellers and Cabot, the Business did not have, at the date of the most recent audited balance sheet referred to above, any material contingent obligation, contingent liability or liability for taxes, or any material long-term lease or unusual forward or long-term commitment not reflected therein or in a footnote thereto or in the schedules to this Agreement, including Schedule 3.1(d)(i). All such financial statements, including the related schedules and notes thereto, are sometimes hereinafter referred to as the "Financial Information."

(ii) Except to the extent set forth on the schedules to this Agreement, in the unaudited financial statements for the fiscal quarter ended March 31, 1995 included in the Financial Information or incurred since March 31, 1995 in the usual, regular and ordinary course of Sellers' or the Foreign Sales Companies' business consistent with past practice or in accordance with the Business Plan set forth on Schedule 3.1(d)(ii) (the "Business Plan"), none of the Sellers or any Foreign Sales Company has, to the best knowledge of Sellers and Cabot, any material liabilities or material obligations relating to the Business (absolute, accrued, contingent or otherwise), whether due or to become due other than capital commitments incurred in the ordinary course of business or in accordance with the Business Plan.

(e) Title and Condition of Properties; Absence of Encumbrances. (i) Sellers have, and Buyer on the Closing Date will receive, good title to all the Assets (except for leased Assets, in which case the Seller has and Buyer shall receive a valid leasehold interest) free and clear of all Encumbrances and imperfections,

except (1) Encumbrances for current taxes, assessments or governmental charges not yet due and payable or being contested in good faith by appropriate proceedings, and (2) with respect to the Owned Real Property described on Schedule 3.1(f)(ii), Encumbrances set forth on Schedule 3.1(e)(i), (3) with respect to the Assets, such imperfections of title, charges and encumbrances, if any, as do not in the aggregate materially detract from the value or materially interfere with the present use of such Assets or otherwise materially impair or interfere with the Business, (4) statutory liens of landlords, carriers, warehousemen, mechanics, materialmen and other liens imposed by law incurred in the ordinary course of business for sums not yet delinquent, (5) liens incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance and other types of social security, or to secure the performance of statutory obligations, surety and appeal bonds, bids, leases, governmental contracts, performance and return of money bonds and other similar obligations (other than obligations for the payment of borrowed money), (6) other Encumbrances on the Assets arising out of the Assumed Liabilities which Encumbrances are listed or disclosed in the Schedules hereto or in the Financial Information and (7) Encumbrances disclosed on the schedules to this Agreement (the Encumbrances described in Clauses (1) through (7), collectively, the "Permitted Encumbrances"). Except as set forth in Schedule 3.1(f)(ii), none of the Sellers, directly or indirectly, owns or occupies any real property that is used in or as part of the Business.

(ii) To the best knowledge of Sellers and Cabot, Schedule 3.1(e)(ii) contains a complete and correct list as of a recent date specified in such Schedule of all Equipment owned by any Seller and used in the Business, where such Equipment was initially capitalized at an amount in excess of $5,000. To the best knowledge of Sellers and Cabot, there is not any material defect in the normal operating condition and repair of the Equipment that will prevent the Business from being operated in the ordinary course in a manner consistent with past practices. To the best knowledge of Sellers and Cabot, the Inventory included in the Assets is good and, in the case of finished goods, saleable, except to the extent of reserves therefor established as appropriate in the Financial Information.

(f) List of Properties, Contracts, Permits and Other Data. To the best knowledge of Sellers and Cabot:

(i) Schedule 3.1(f)(i) contains a complete and correct list of all oral and written contracts, operating, non-competition, acquisition, shareholder, marketing and servicing, loan, partnership, advertising, distribution, solicitation and hardware/software agreements, notes, guarantees, purchase commitments, promotional, lease and other agreements to which any Seller is a party and which relate to the Business or by which any of their respective assets or properties used by or included in the Business (including

the Assets) is bound and which is not cancelable on thirty days or less notice (unless such cancellation would result in a penalty or liability to Buyer) involving aggregate consideration, payable after the date hereof, in excess of $100,000 in the case of any such agreement;

(ii) Schedule 3.1(f)(ii) contains a complete and correct list of (i) all real property owned by any Seller and used by or included in the Business and (ii) all real property agreements (including any amendments thereto) pursuant to which any Seller leases, subleases or otherwise occupies any real property used by or included in the Business (the "Real Property Leases"), and pursuant to the Real Property Leases such Sellers have validly existing and enforceable leasehold, subleasehold or occupancy interests in the property leased thereunder to the extent necessary for the operations of their respective properties and the conduct of their respective businesses;

(iii) Schedule 3.1(f)(iii) contains a complete and correct list of all licenses, permits and franchises issued by foreign or domestic governmental authorities or other third parties and necessary for, used in or affecting the conduct of the Business as currently conducted, except those licenses, permits or franchises the absence of which would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and

(iv) Schedule 3.1(f)(iv) contains a complete and correct list of (1) all registered trademarks and service marks, trademark and service mark registrations and applications, tradenames and corporate names, owned by any Seller, in each case used by or relating to the Business, (2) patents, patent applications and all other patent rights, copyrights, copyright registrations and applications owned by any Seller, in each case used by or relating to the Business and (3) all material non-governmental licenses or sublicenses granted by or to any Seller and other covenants or agreements to which any Seller is a party, which relate in whole or in part to any items of the categories mentioned above in this clause (iv), in each case used by or relating to the Business or to any other material proprietary rights, trade secrets, ideas or know-how owned or licensed by any Seller, in each case used by or relating to the Business, other than any of the foregoing the absence of which would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

True and complete copies of all documents (including all amendments thereto and waivers in respect thereof) referred to in the foregoing Schedules requested by Buyer have been delivered to Buyer. To the best knowledge of Sellers and Cabot, all rights, licenses, permits, leases, registrations, applications, contracts, agreements, commitments and other arrangements referred to in such Schedules are in full force

and effect and are valid and enforceable in accordance with their respective terms, except where the failure to be in full force and effect and valid and enforceable would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of the Sellers is (and each other party thereto is not) in breach or default in the performance of any material obligation thereunder, and no event has occurred or has failed to occur whereby, with or without the giving of notice or the lapse of time or both, a default or breach will be deemed to have occurred thereunder or any of the other parties thereto have been or will be released therefrom or will be entitled to refuse to perform thereunder, except for such breaches, defaults and events which, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(g) Receivables. The Receivables of Sellers arose from bona fide transactions in the ordinary course of business consistent with past practice or the Business Plan.

(h) Legal Proceedings. To the best knowledge of Sellers and Cabot, except as set forth in Schedule 3.1(h), there is no litigation, proceeding or governmental investigation to which any Seller or Cabot is a party pending or threatened against it or relating to the Assets or the Business or the transactions contemplated by this Agreement which would, either individually or in the aggregate, reasonably be expected to result in any Material Adverse Effect or which seeks to restrain or enjoin the consummation of any of the transactions contemplated hereby. To the best knowledge of Sellers and Cabot, none of the Sellers is in violation of any term of any judgment, writ, decree, injunction or order entered by any court or governmental authority (domestic or foreign) and outstanding against any Seller or with respect to any of its assets or properties which violation would reasonably be expected to have a Material Adverse Effect.

(i) Labor. To the best knowledge of the Sellers and Cabot, (i) each Seller is in compliance in all material respects with all applicable laws relating to employment practices, terms and conditions of employment and wages and hours; (ii) there are no actions pending or threatened between any Seller and any of their respective employees, prospective employees, former employees, retirees or labor unions or other collective bargaining representatives representing their employees; (iii) no unfair labor practice complaints have been filed and remain outstanding against any Seller, and no Seller has received any notice or communication, in writing reflecting an intention or a threat to file any such complaint; (iv) there is no labor strike, dispute, slow-down or stoppage pending or threatened against any Seller; (v) no representation petition is pending with the National Labor Relations Board (or any other labor relations board) in respect of the Business; (vi) each Seller has paid in full to all of its employees all wages, salaries, commissions, bonuses, benefits and other compensation due to such employees in their customary payment cycles; (vii)

other than as set forth on Schedule 3.1(i), no Seller has closed any facility used in connection with the Business within the past three years, nor has any Seller committed to or announced any such action with respect to the Business for the future; (viii) no promises of benefit improvements under the Plans (as defined in subsection 3.1(m)) have been made by any Seller or any Affiliate thereof to any employee of the Business; and (ix) Sellers are in compliance with their respective obligations pursuant to the Worker Adjustment and Retraining Notification Act of 1988, and all other notification and bargaining obligations arising under any collective bargaining agreement, statute or otherwise, the non-compliance with which would reasonably be expected to have a Material Adverse Effect, in each case as the matters described in clauses (i) through (ix) above relate to or affect the Business or the Assets.

(j) Intellectual Property. Sellers have, and will transfer to Buyer on the Closing Date, good title to all the Intellectual Property, free and clear of all Encumbrances other than Permitted Encumbrances. Except as set forth on Schedule 3.1(h), to the best knowledge of Sellers and Cabot, no claims have been asserted or are currently in dispute to the effect that the use of the Intellectual Property by any Sellers infringes on any intellectual property of any other person. Except as set forth in Schedule 3.1(f)(iv), to the best knowledge of Sellers and Cabot, Sellers own all material Intellectual Property used in Sellers' business as presently conducted.

(k) Government Licenses, Permits and Related Approvals. To the best knowledge of Sellers and Cabot, each Seller has all licenses, permits, consents, approvals, authorizations, qualifications and orders of governmental authorities required for the conduct of the Business as presently conducted, except where the failure to have such licenses, permits, consents, approvals, authorizations, qualifications and orders would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(l) Compliance with Law and Requirements. Except as set forth on Schedule 3.1(l), to the best knowledge of Sellers and Cabot, each Seller has conducted the Business in compliance in all material respects with all applicable laws, ordinances, regulations, rights of concession, licenses, know-how or other proprietary rights of others, the failure to comply with which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m) Employee Benefit Programs.

(i) Schedule 3.1(m)(i) identifies each "employee benefit plan" as such term is defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and all bonus, stock option, deferred compensation, severance, employment, change-in-control and all

other employee benefit plans, policies, agreements and arrangements relating to the Business that are maintained, or otherwise contributed to by any Seller or any Affiliate of any Seller for the benefit of the employees or former employees of the Business (a "Plan" and, collectively, the "Plans").

(ii) With respect to each Plan, Sellers have delivered to Buyer a complete and accurate copy thereof and, to the extent applicable, (A) any related trust agreement or other funding instrument; (B) the most recent determination letter, if any; (C) the most recent summary plan description; (D) the most recent Form 5500 (and attached schedules); and (E) the most recent actuarial valuation reports.

(iii) Each Plan has been maintained and administered at all times substantially in compliance with all the terms thereof and all applicable laws, rules and regulations, including, without limitation, ERISA and the Code. Each Plan intended to be qualified under Section 401(a) of the Code is so qualified and has received a favorable determination letter, or an application therefor has been made, as to its qualification and nothing has occurred which would cause the loss of such qualification.

(iv) No "reportable event" (as such term is used in Section 4043 of ERISA), "prohibited transaction" (as such term is used in Section 406 of ERISA or Section 4975 of the Code) or "accumulated funding deficiency" (as such term is used in Section 412 or Section 4971 of the Code) or liability arising under Title IV of ERISA has occurred with respect to any Plan which would reasonably be expected to have a Material Adverse Effect.

(v) With respect to each of the Plans which is not a multiemployer plan within the meaning of section 4001(a)(3) of ERISA but is subject to Title IV of ERISA, as of the Closing Date the assets of each such Plan are exceeded in value by the present value of the accrued benefits (vested and unvested) of the participants in such Plan on an ongoing basis by an amount not greater than $387,000 and on a termination basis by an amount not greater than $1,376,000, based on the actuarial methods and assumptions indicated in the most recent actuarial valuation report (1994). All contributions required to be made to each Plan which is maintained for the benefit of employees located outside the United States (a "Foreign Plan") have been made and the present value of benefits accrued under each Foreign Plan does not exceed the value of the assets of such plan allocable to such accrued benefits.

(vi) Sellers have not contributed to or participated in any pension plan which is a "multiemployer plan," as defined in Section 3(37) of ERISA.

(vii) No material litigation or administrative or other proceedings involving the Plans have occurred, are pending or, to the best knowledge of Sellers and Cabot, are threatened.

(viii) To the best knowledge of Sellers and Cabot, except as set forth in Schedule 3.1(m)(viii), there are no other employment agreements, contracts or understandings with any employee of the Business.

(ix) Except as set forth in Schedule 3.1(m)(ix), there are no collective bargaining agreements which any Seller or their affiliates have entered into on behalf of any employees of the Business.

(x) Except as set forth on Schedule 3.1(m)(x), with respect to any Plan that is an employee welfare benefit plan, (1) no such Plan is funded through a welfare benefits fund, as such term is defined in Section 419(e) of the Code, (2) each such Plan that is a group health plan ("Group Health Plan"), as such term is defined in Section 4980B(g)(2) of the Code, substantially complies with the applicable requirements of Section 4980B(f) of the Code ("COBRA") and (3) each such Plan (excluding any such Plan covering union employees, retirees or other former employees) may be amended or terminated without material liability to Buyer on or at any time after the Closing Date.

(xi) Except as indicated on Schedule 3.1(m)(viii), no Plan exists which would result in the payment to any employee of the Seller of any money or other property rights or accelerate or provide any other rights or benefits to any such employee as a result of the transactions contemplated by this Agreement.

(n) Certain Fees. With the exception of fees and expenses payable to Merrill Lynch & Co., neither any Seller nor any of their officers, directors or employees or Affiliates has employed any broker or finder or incurred any other liability for any brokerage fees, commissions or finders' fees in connection with the transactions contemplated hereby.

(o) Absence of Certain Changes or Events. To the best knowledge of Sellers and Cabot, except as set forth in Schedule 3.1(o) or otherwise contemplated by the Business Plan, since March 31, 1995, there has not been (i) any material adverse change in the Assets or in the condition (financial or other), results of operations, prospects or business of the Business, (ii) any material damage, destruction or loss relating to the Business or assets of the Business, whether or not insured, (iii) any liability created or incurred which Buyer will assume under the Assumption Agreement other than liabilities created or incurred in the ordinary

course of business, (iv) any Encumbrances other than Permitted Encumbrances created on any Asset, (v) except in the ordinary course of business or as may be consented to by Buyer, any increase in, or commitment or plan adopted to increase, the wages, salaries, compensation, pension or other benefits or payments to Transferred Employees (as defined in Section 6.1), (vi) any material capital expenditures or commitment to make any such expenditures with respect to the Assets (except as may be necessary to maintain and protect the Assets or the Business and which under GAAP are treated as capital expenditures) or as to which Buyer will become obligated after the Closing pursuant to the Assumption Agreement, (vii) any condemnation proceedings commenced with respect to any Asset or notice received by any Seller as to the proposed commencement of any such proceedings, (viii) any rights of substantial value waived with respect to the Assets or the business of Sellers other than in the ordinary course of business or (ix) any sale or transfer of any Assets other than sales of goods and dispositions of obsolete property in the ordinary course of business. Since March 31, 1995, other than acts relating to the transactions contemplated by this Agreement, the Business has been conducted in all significant respects only in the ordinary course of business consistent with past practice or in accordance with the Business Plan.

(p) Disclosure. To the best knowledge of Sellers and Cabot, this Agreement, together with all other documents and instruments to be executed and delivered by Sellers in connection herewith, taken as a whole, does not present the Business and the Assets in a manner which is materially misleading.

(q) Environmental Matters. Except as indicated on Schedule 3.1(q), as reflected in the Financial Information, or set forth in any environmental study or survey performed on behalf of Cabot, Sellers or Buyer copies of which have been previously provided to Buyer, to the best knowledge of Sellers and Cabot:

(i) There are no actions, suits, proceedings, governmental investigations as to which Cabot or Sellers have received written notice, fines, penalties, liabilities or disabilities pending or threatened, in writing, as a result of any condition relating to the Business or any act or omission of Sellers with respect to the Business or the Assets which failed to comply with any provision or environmental cleanup standard under the Environmental Laws. Environmental Laws means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; the Resource Conservation and Recovery Act; the Clean Air Act, the Water Pollution Control Act (Clean Water Act); the Toxic Substances Control Act; the Emergency Planning and Community Right to Know Act; the Solid Waste Disposal Act and the relevant state counterparts

of these laws and any regulations which are promulgated pursuant to such laws.

(ii) No claim, lawsuit, agency, proceeding, or other legal or administrative challenge has been brought concerning the ownership or operation of the Business or the Assets or the existence of any hazardous condition relating thereto during any Sellers' period of ownership of the Business. No governmental entity has served upon Seller any notice claiming any violation of any statute, ordinance or regulation relating to the environment or noting the need for any repair, construction, alteration or installation with respect to the Business or Assets, or requiring any change in the means or methods of conducting the operations of the Business or Assets.

(iii) The operations of the Business are and have been in material compliance with all Environmental Laws and with all permits issued pursuant to any Environmental Law and there is no condition that would reasonably be expected to interfere with such compliance in the future.

(iv) There has been no spill, discharge, release, or leak of any Hazardous Substance on any real property included in the Assets or used in connection with the Business during any Seller's period of ownership of the Business or at any other time. During the Sellers' period of ownership of the Business, Hazardous Substances have not been disposed of in any manner or to any location that would reasonably be expected to result in liability under any Environmental Law other than the normal risk of liability associated with disposing of Hazardous Substances at licensed sites.

Other than with respect to Routine Business Activities, no Hazardous Substances have been used, stored, produced or disposed of in connection with the Business. "Routine Business Activities" means the normal use of heating oil or natural gas, lubrication, cleaning and other substances used in manufacturing, building maintenance, office supplies in normal quantities, consumer products and gardening supplies commonly used for normal landscaping.

"Hazardous Substance" shall mean petroleum, asbestos and any substance which as of the date of this Agreement shall be listed as "hazardous" or "toxic" in the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Sections 9601 et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Sections 6901 et seq., any applicable state law, or in the regulations promulgated implementing the foregoing.

(r) Entire Business. On the Closing Date, Sellers will transfer to Buyer all of the assets used by Sellers in and necessary for the conduct by Buyer of the Business, except for (i) the assets excluded from purchase hereunder pursuant to Section 1.2 and (ii) the services provided by Cabot to Sellers described in subsection 1.2(i) which will be discontinued pursuant thereto. There are no assets used in or otherwise comprising part of the Business (other than as described in clauses (i) and (ii) of the preceding sentence) that are owned by Affiliates of Cabot other than the Sellers. Since September 30, 1994, no Seller has paid or declared any dividend or made any distribution in respect of its stock other than cash dividends.

(s) Insolvency. After the Closing and upon any transfer of the Purchase Price following the Closing, none of the Sellers will (i) be insolvent; (ii) have unreasonably small capital with which to engage in its businesses; or have incurred or plan to incur debts beyond its ability to pay as they become absolute and matured.

(t) Tax Matters. Except as set forth on Schedule 3.1(t), (i) there are no liens with respect to Taxes (except for Permitted Encumbrances) upon any of the Assets; (ii) all Tax Returns required to have been filed (or required to be filed before the Closing) by the Foreign Sales Companies have been or will be timely filed; (iii) no extension of time within which to file any such Tax Return has been requested, which Tax Return has not since been, or will not be, timely filed; (iv) all Taxes required to be shown on such Tax Returns or otherwise due or payable by any Foreign Sales Company have been or will be timely paid; (v) all such Tax Returns are true, correct and complete in all material respects; (vi) there are no pending or threatened actions or proceedings for the assessment or collection of any Taxes against any Foreign Sales Company that will have a Material Adverse Effect on the Foreign Sales Companies either individually or in the aggregate; (vii) as of the Closing Date none of the Foreign Sales Companies shall owe any amount pursuant to any Tax sharing agreement or arrangement with Cabot or its Affiliates, nor will any Foreign Sales Company have any liability after the Closing Date in respect of any Tax sharing agreement or arrangement with Cabot or its Affiliates; and (viii) the Sellers have paid all state, local and foreign sales, use, value added, ad valorem or similar taxes or have adequate reserves in their respective financial statements, or books and records, for the amount of any such sales, use, value added, ad valorem or similar taxes that have not been paid, whether or not such taxes are shown as being due on any return.

(B) For purposes of this Agreement, "Tax" or "Taxes" shall mean any and all (i) income, franchise, profits, gross receipts, minimum, alternative minimum, estimated, windfall profits, and gains taxes, or other similar assessments of any kind, and (ii) interest, penalties and additions to tax imposed with respect thereto; and "Returns" shall mean any and all returns, reports, and information statements with

respect to Taxes required to be filed with the Internal Revenue Service ("IRS") or any other governmental entity or Tax authority or agency, whether domestic or foreign, including, without limitation, consolidated, combined and unitary tax returns. For the purposes of this Section 3.1(t), references to any Foreign Sales Company shall include any former subsidiaries of any Foreign Sales Company for the periods during which any such corporations were owned, directly or indirectly, by such Foreign Sales Company.

(u) Capital Stock; Charter Documents; Subsidiaries. Schedule 3.1(u) sets forth all stock or other interest owned in any entity (other than a Seller or Cabot International Capital Corporation) by any Seller as part of the Business, together with a description of the business engaged in by each such entity. Cabot owns 100% of the issued and outstanding capital stock of CSC. CSC owns 100% of the issued and outstanding capital stock of CSC Canada.

(v) Prohibited Payments. To the best knowledge of Sellers and Cabot, neither any Seller nor any of their respective officers, directors, employees, agents or Affiliates has offered, paid, or agreed to pay to any person or entity, including any government official, or solicited, received or agreed to receive from any such person or entity, directly or indirectly, any money or anything of value for the purpose of or with the intent of obtaining or maintaining the Business.

(w) Affiliate Transactions. Schedule 3.1(w) lists all transactions entered into and continuing in effect by any Seller with Cabot, any Seller, any Affiliate of Cabot, or any directors, officers or employees of Cabot or Sellers (i) relating to the Business or affecting any of the Assets and involving aggregate consideration in the case of any such transaction or any series of similar or related transactions in excess of $100,000 to be paid by or to the Buyer after the Closing or (ii) the absence of which would be reasonably expected to have a Material Adverse Effect.

3.2. Representations and Warranties of Buyer. Buyer represents and warrants to Sellers and Cabot as follows:

(a) Due Organization; Good Standing and Power. Each of New Cabot Safety and Holdings is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of New Cabot Safety and Holdings has all requisite corporate and other power and authority to enter into this Agreement and any other agreement contemplated hereby and to perform its obligations hereunder and thereunder. Each of New Cabot Safety and Holdings is duly authorized, qualified or licensed to do business as a foreign corporation, and is in good standing, in each of the jurisdictions in which its right, title or interest in or to any asset, or the conduct of its business, requires such authorization, qualification

or licensing, except where the failure to so qualify or to be in good standing would not have an adverse effect on the ability of Buyer to perform its obligations hereunder or under any other agreement contemplated hereby.

(b) Authorization and Validity. The execution, delivery and performance by Buyer of this Agreement and any other agreements contemplated hereby and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by its Board of Directors. No other corporate or stockholder action is necessary for the authorization, execution, delivery and performance by Buyer of this Agreement and any other agreement contemplated hereby and the consummation by Buyer of the transactions contemplated hereby or thereby. This Agreement has been duly executed and delivered by Buyer and constitutes a valid and legally binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) or by an implied covenant of good faith and fair dealing.

(c) Governmental Approvals; No Conflict. The execution, delivery and performance of this Agreement and any other agreements contemplated hereby by Buyer and the consummation by it of the transactions contemplated hereby and thereby (i) will not violate (with or without the giving of notice or the lapse of time or both), or require any consent, approval, filing or notice under any provision of any law, rule or regulation, court or administrative order, writ, judgment or decree applicable to Buyer or its assets or properties, except for the requirements of the Antitrust Improvements Act and except for such violations the occurrence of which, and such consents, approvals, filings or notices the failure of which to obtain or make, would not, either individually or in the aggregate, reasonably be expected to have an adverse effect on Buyer's ability to perform its obligations hereunder, and (ii) will not (with or without the giving of notice or the lapse of time or both) violate or conflict with, or result in the breach, suspension or termination of any provision of, or constitute a default under, or result in the acceleration of the performance of the obligations of Buyer, under, or in the creation of any Encumbrances pursuant to the charter or by-laws of Buyer or any indenture, mortgage, deed of trust, lease, agreement, contract or instrument to which Buyer is a party or by which Buyer or any of its assets or properties is bound, except for such violations, conflicts, breaches, suspensions, terminations, defaults, accelerations or Encumbrances which would not reasonably be expected to have an adverse effect on Buyer's ability to perform its obligations hereunder.

(d) Brokers' Fees. With the exception of fees and expenses payable to Vestar Capital Partners, neither Buyer nor any of its officers, directors or

employees, on behalf of Buyer, has employed any broker or finder or incurred any other liability for any brokerage fees, commissions or finders' fees in connection with the transactions contemplated hereby.

(e) Capitalization. All of the shares of capital stock to be issued pursuant to Section 2.2, the Subscription Agreement and the agreements entered into with members of management pursuant to Section 5.2(g), upon issuance, will have been duly authorized and will be validly issued, fully paid and non-assessable, free from all preemptive or similar rights of any stockholder. Schedule 3.2(e), as updated on the Closing Date, sets forth a true and complete list of the authorized, issued and outstanding capital stock of Holdings, and all options in respect of capital stock of Holdings granted on or prior to the Closing Date.

3.3. Survival of Representations. The representations, warranties, covenants and agreements contained in this Agreement, and in any agreements, certificates or other instruments delivered pursuant to this Agreement, shall survive the Closing and shall remain in full force and effect, regardless of any investigations made by or on behalf of any party, but subject to all express limitations and other provisions contained in this Agreement.

4. Agreements

4.1. Access to Information. Sellers agree to (a) give or cause to be given to Buyer and its employees, advisors and other representatives and potential financing sources such access, during normal business hours, to the offices, employees, properties, books and records of Sellers and the Foreign Sales Companies relating to the Business as Buyer may from time to time reasonably request and (b) furnish or cause to be furnished to Buyer such financial and operating data and other information with respect to the Business and its properties (including the Assets) of Sellers, as Buyer may from time to time reasonably request. All such information and access shall be subject to the confidentiality provisions of the letter agreement previously executed in connection with the transactions contemplated hereby (the "Confidentiality Letter"), between Vestar Equity Partners, L.P. and Cabot, provided, however, that Cabot and CSC hereby agree that (i) the terms and provisions of such letter agreement shall be of no further effect upon the Closing to the extent relating to information regarding the Business and (ii) notwithstanding the provisions thereof, Buyer may, in connection with the financing described in subsection 5.2(e), disclose information relating to the Business to prospective lenders and purchasers of debt instruments, and arrangers, underwriters and placement agents in respect thereof, and their respective advisors and representatives, and as otherwise necessary in connection therewith provided that all persons to whom such information is disclosed shall first agree to be subject to confidentiality provisions

substantially similar to the confidentiality provisions of the Confidentiality Letter (subject to the proviso to the immediately preceding sentence). Buyer and its employees, advisors and other representatives and potential sources of financing shall have access, in consultation with Sellers, to such representatives, officers and employees of Sellers and the Foreign Sales Companies as Buyer may reasonably request. After Closing, Buyer agrees to provide Sellers with reasonable access to information contained in the files and records of Sellers and the Foreign Sales Companies transferred to Buyer at Closing to the extent necessary for Sellers to prepare tax returns and other government mandated filings and respond to audits thereof No such information, files or records shall be destroyed by Buyer, without reasonable notice and first offering all such information, files and records to Cabot and Sellers.

4.2. Conduct of the Business. Sellers and Cabot jointly and severally agree that, except as required by this Agreement or otherwise consented to in writing by Buyer, during the period commencing on the date hereof and ending on the Closing Date, each of the Sellers shall and shall cause each Foreign Sales Company to:

(a) operate the Business only in the ordinary course consistent with past practice or in accordance with the Business Plan and use its best efforts to preserve its present business organization intact, keep available the services of its present employees and preserve its present business relationships, in each case relating to the Business;

(b) maintain its books, accounts and records relating to the Business in the usual, regular and ordinary manner consistent with past practice or in accordance with the Business Plan and comply in all material respects with all laws applicable to or affecting the Business;

(c) maintain in full force and effect its current insurance with respect to its properties, employees and representatives;

(d) not enter into any contract, agreement or other commitment, without prior notice to Buyer, that is not terminable by the parties upon 30 days' notice or less or which involves aggregate consideration in excess of $100,000.00 other than in the ordinary course of business or in accordance with the Business Plan;

(e) not (i) dispose of or abandon any of the Assets, other than in the ordinary course of business or in accordance with the Business Plan, (ii) enter into, change, waive or otherwise modify any material contract or agreement included in the Assumed Liabilities by which the Business or any Asset is or will be bound,

other than in the ordinary course of business on a consistent basis or in accordance with the Business Plan, (iii) enter into or engage in any transaction included in the Assumed Liabilities with any Affiliate by which the Business or any Asset will be bound other than in the ordinary course of business or in accordance with the Business Plan and on an arm's-length basis, or (iv) permit any of its Affiliates to do, or agree, in writing or otherwise, to do, any of the foregoing;

(f) not (i) permit or allow any of its properties and assets included in the Business (other than excluded Assets) to become subject to any Encumbrances other than Permitted Encumbrances, (ii) waive any material claims or rights relating to the Business other than in the ordinary course of business, (iii) except as set forth in Schedule 3.1(m)(viii) or (ix), grant any increase in the compensation or benefits of employees of the Business (including any such increase pursuant to any deferred compensation, severance, bonus, pension, profit-sharing or other plan or commitment) other than in the ordinary course of business or in accordance with the Business Plan, (iv) except as set forth in Schedule 3.1(m)(viii) or (ix), establish, enter into or adopt any employment agreement or collective bargaining agreement or other employee benefits arrangements with respect to any of its employees of the Business or modify or terminate any Plans, (v) enter into any agreements giving rise to trade and barter obligations by which the Business of any of the Assets will be bound or affected other than in the ordinary course of business or in accordance with the Business Plan, or (vi) permit any of its Affiliates to do, or agree, in writing or otherwise, to do, any of the foregoing;

(g) not acquire or agree to acquire, by merging or consolidating with, or by purchasing a substantial portion of the stock or assets of, or by any other manner, any business or any corporation, partnership, joint venture, association or other business organization or division thereof, except to the extent not affecting the Business, the Assets or the Assumed Liabilities;

(h) not incur any indebtedness for borrowed money, or guarantee any such indebtedness of another person, issue or sell any debt securities or warrants or other rights to acquire any debt securities of any Sellers or any Foreign Sales Company, guarantee any debt securities of another person, enter into any "keep well" or other agreement to maintain any financial statement condition of another person or enter into any arrangement having the economic effect of any of the foregoing, or make any loans, advances or capital contributions to, or investments in, any other person, in each case if the Business or any Asset would be bound or affected thereby after the Closing;

(i) except as contemplated by the Business Plan, not acquire or agree to acquire any assets that are material, individually or in the aggregate, to the Business or make or agree to make any capital expenditures with respect to the

Business except as may be necessary to maintain and protect the Business or the Assets and which under GAAP are treated as capital expenditures other than in the ordinary course of business;

(j) not pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), of or affecting the Business, except for the payment, discharge or satisfaction, of liabilities or obligations in the ordinary course of business consistent with past practice or in accordance with the Business Plan or in accordance with their terms as in effect on the date hereof, or transfer any rights of material value or modify or change in any material respect any existing material license, lease, contract or other document, in each case of or affecting the Business, other than in the ordinary course of business consistent with past practice or in accordance with the Business Plan;

(k) not change any material accounting principle relating to the Business;

(l) not settle or compromise any litigation which is included in the Assumed Liabilities;

(m) not terminate, without cause, any of John D. Curtin, Jr., Albert F. Young, Jr., or Bryan J. Carey as officers of CSC in the offices currently held by them;

(n) not declare any dividend or make any distribution with respect to its stock, other than cash dividends; and

(o) not authorize any of, or commit or agree to take any of, the foregoing actions.

4.3. Further Actions. (a) Subject to the terms and conditions hereof, Sellers and Buyer agree to use their reasonable best efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement, including using its reasonable best efforts (without payment of money, commencement of litigation or the assumption of any material obligation): (i) to obtain at the earliest practicable date prior to the Closing Date (pursuant to instruments reasonably satisfactory to Buyer in form and substance) all licenses, permits, consents, approvals, authorizations, qualifications and orders of governmental authorities and parties to contracts, leases, licenses or agreements with Sellers or its Affiliates as are necessary for the consummation of the transactions contemplated hereby; (ii) to effect all necessary registrations and filings; (iii) to furnish to each other such information and assistance as reasonably may be requested

in connection with the foregoing; and (iv) to assist Buyer in obtaining prior to the Closing Date all governmental licenses, permits, consents, approvals, authorizations, qualifications and orders as are necessary in order to enable Buyer to conduct the business of Sellers in the ordinary course as of and from the opening of business on the Closing Date. To the extent that any consent or approval is not obtained with respect to any contract, lease, license or agreement as contemplated above, this Agreement shall not constitute an assignment or an attempted assignment thereof. In each such case, Sellers agree to cooperate with Buyer in any reasonable arrangement designed to provide for Buyer the benefits under any such contract, lease, license or agreement, including enforcement at the cost and for the account of Buyer of any and all rights of Sellers against the other party or otherwise, and, in the case of any such lease, if Sellers and Buyer are unable to obtain the landlord's consent to assignment, Buyer shall enter into a sublease with the applicable Seller (unless landlord's consent to such sublease is required and cannot be obtained) which shall contain the terms of the applicable lease.

(b) Cabot and Sellers acknowledge that the Buyer currently intends that the financing contemplated by Section 5.2(e) will consist of $100,000,000 aggregate principal amount of High Yield Securities and $50,000,000 aggregate principal amount of funded senior bank debt financing. Sellers will provide customary assistance in connection with Buyer's efforts to raise such financing, including without limitation making senior management available for meetings with prospective lenders and investors.

(c) Buyer agrees that from and after the Closing, it will cooperate with Cabot and Sellers and provide them such reasonable assistance as they may reasonably request, including, without limitation access to employees, books and records, in connection with the defense or prosecution of any suit, claim, action or proceeding relating to the Excluded Liabilities or the Excluded Assets. Cabot and Sellers agree that from and after the Closing, each of them will cooperate with Buyer and provide Buyer such reasonable assistance as it may reasonably request, including, without limitation access to employees, books and records, in connection with the defense or prosecution of any suit, claim, action or proceeding relating to the Assumed Liabilities or the Assets.

4.4. Antitrust Improvements Act. Sellers shall timely and promptly make all filings which may be required by it in connection with the consummation of the transactions contemplated hereby under the Antitrust Improvements Act. Sellers shall furnish to Buyer such information and assistance as Buyer may reasonably request in connection with Buyer's preparation of any necessary filings or submissions by it to any governmental agency, including, without limitation, any filings necessary under the provisions of the Antitrust Improvements Act. Sellers shall provide Buyer with copies of all correspondence, filings or communications (or

memoranda setting forth the substance thereof) between Sellers or their representatives, on the one hand, and the Federal Trade Commission ("FTC"), the Antitrust Division of the United States Department of Justice (the "Antitrust Division") and their staffs, on the other hand, with respect to this Agreement and the transactions contemplated hereby. Buyer shall timely and promptly make all filings which may be required by it in connection with the consummation of the transactions contemplated hereby under the Antitrust Improvements Act. Buyer shall furnish to Sellers such information and assistance as Sellers may reasonably request in connection with Sellers' preparation of any necessary filings or submissions by it to any governmental agency, including, without limitation, any filings necessary under the provisions of the Antitrust Improvements Act. Buyer shall provide Sellers with copies of all correspondence, filings or communications (or memoranda setting forth the substance thereof) between Buyer or its representatives, on the one hand, and the FTC, the Antitrust Division and their staffs, on the other hand, with respect to this Agreement and the transactions contemplated hereby.

4.5. Notification. Sellers shall notify Buyer and keep it advised of (i) any litigation or administrative proceeding pending or, to the best knowledge of Sellers and Cabot, threatened against any Seller or any Foreign Sales Company which would, if adversely determined, reasonably be expected to have a Material Adverse Effect; (ii) any material damage or destruction of any of the Assets; and (iii) any material adverse change in the condition (financial or other), results of operations, assets, business or prospects of the Business.

4.6. No Inconsistent Action. Subject to Sections 7.1 and 7.2, the parties hereto shall not take any action inconsistent with their obligations under this Agreement or which could materially hinder or delay the consummation of the transactions contemplated by this Agreement.

4.7. No Solicitation. Sellers and Cabot shall not solicit, initiate or knowingly encourage or take any action knowingly to facilitate the submission of inquiries, proposals or offers from any person relating to any acquisition or purchase of the Assets or the Business or the stock of CSC or the Foreign Sales Companies (other than the provision of services in the ordinary course of business), whether such transaction takes the form of a merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Business or participate in any discussions or negotiations regarding, or furnish any information with respect to, any such transaction, other than the transactions contemplated by this Agreement.

4.8. Corporate Name. Promptly following the Closing, CSC, CGB and CSC Canada shall amend their respective certificates of incorporation to change the name of such Seller set forth therein to any name not including the word Safety

or another name similar thereto. On the Closing Date, New Cabot Safety will change its name to Cabot Safety Corporation. On the Closing Date, Cabot, the Sellers and the Buyer shall enter into an agreement substantially in the form of Exhibit B hereto with respect to the use of certain Intellectual Property.

4.9. Tax Matters. CSC and Cabot covenant and agree that: (i) CSC shall not liquidate, and Cabot shall not permit or cause CSC to liquidate, at any time within the three-year period following the Closing Date (the "Restricted Period"); (ii) CSC shall not sell, distribute or otherwise transfer any of the Holdings Stock that it received pursuant to this Agreement to Cabot or any affiliate of Cabot during the Restricted Period or sell, distribute, transfer or otherwise dispose of the Excluded Assets that it is retaining; (iii) CSC shall not merge, and Cabot shall not permit or cause CSC to merge, with or into Cabot, an affiliate of Cabot or any other entity during the Restricted Period; (iv) CSC and Cabot will take all action necessary to properly make and/or file a timely election under Section 197(f)(9)(b)(ii) of the Code to have CSC recognize the full amount of the gain it realized on its transfer of the Exchanged Assets and the Assets to Holdings or New Cabot Safety, as the case may be, and to pay the amount of federal income tax that is required to be paid on such gain under such Code Section. CSC has no current plan or intention to liquidate or to distribute or dispose of any of the Holdings Stock received pursuant to this Agreement, and CSC has no current plan or intention to sell, distribute, transfer or otherwise dispose of the Excluded Assets that it is retaining and Cabot has no current plan or intention to cause or permit CSC to sell, distribute, transfer or otherwise dispose of such Excluded Assets. Notwithstanding the foregoing, the provisions of this Section 4.9 shall not apply to any transfer or distribution of cash by CSC, any transfer, sale or distribution of the Chickasha Property or any sale, distribution or transfer of the Excluded Assets by any Seller other than CSC, provided, however, that in the event the carbon black business of CSC Canada is sold, distributed or transferred by CSC Canada, the proceeds received in such transaction shall not be directly or indirectly transferred by CSC Canada or CSC (other than pursuant to a distribution from CSC Canada to CSC), provided, that the foregoing shall not prevent a loan of such proceeds by CSC Canada or CSC.

4.10. Right to Update Schedules. Cabot and Sellers shall have the right to revise and update the Schedules referred to in Article 3 of this Agreement (other than Schedule 2.2(e), Schedule 3.1(d)(ii), or Schedule 3.1(m)(viii) (unless, in the case of Schedule 3.1(m)(viii), to reflect previously unknown facts or circumstances in existence on the date hereof)) as of the Closing Date in order to disclose in writing to Buyer any facts or circumstances learned by them subsequent to the execution of this Agreement (and which facts or circumstances were not otherwise known on the date hereof to any of the individuals named in Schedule 3.1A) that make any representation or warranty contained herein untrue or misleading. If any change made to any such Schedule or any such disclosure is in

the reasonable judgment of Buyer material, the Buyer may, as its sole and exclusive remedy (subject to Section 7.2), elect not to consummate the transactions contemplated by this Agreement.

4.11. Ancillary Agreements. On the Closing Date, Cabot, the Sellers and the Buyer shall enter into each of (i) the Trademark Coexistence Agreement, (ii) the Subscription Agreement, (iii) the Stockholders' Agreement and (iv) the Management Advisory Agreement, substantially in the form of Exhibit F.

4.12. Respirator Liability Retention Arrangements. (a) On the Closing Date, the Buyer may by written notice and payment of the amounts payable under this Section 4.12 for such period to Cabot cause the Respirator Liability Retention arrangements described in this Section 4.12 to be in effect for the initial three-month period following the Closing Date. If such notice is given, Buyer shall pay to Cabot $100,000 for each three-month period during which the Respirator Liability Retention is in effect, payable in advance in immediately available funds. Effective as of the end of each consecutive three-month period following the Closing Date, the period of Respirator Liability Retention shall be extended for an additional three-month period by the Buyer's giving notice of such extension by written notice and payment of $100,000 to Cabot no later than ten days after the beginning of such three-month period. Buyer may at any time terminate the Respirator Liability Retention arrangements, whereupon Cabot shall promptly refund to Buyer the amount paid in respect thereof for the period from the date of such termination to the end the then current three-month period, based pro rata on the number of days elapsed. In the event such notice and payment are not timely given and paid, the Respirator Liability Retention arrangements shall be deemed terminated as of the end of the last three-month period for which payment was made, and shall not thereafter be extended unless Buyer and Cabot otherwise agree.

(b) During the period in which the Respirator Liability Retention arrangements remain in effect, Sellers shall remain responsible for, and shall indemnify Buyer in accordance with Section 8.1(i) in respect of, any and all liabilities described in Section 1.6(j) provided, however, that Sellers' indemnification responsibilities hereunder shall not apply to the portion, if any, of any liability for a Respirator Medical Condition attributable to the use of respirators or similar devices sold on or after the Closing Date. Following the termination of such arrangements, Buyer shall as of the termination date assume, be responsible for, and indemnify Sellers in accordance with Section 8.2(i) in respect of, any and all such liabilities not theretofore satisfied or discharged, provided, that in no event shall such termination affect Sellers' retention of the liabilities described in Section 1.6(b). Cabot agrees, during any period that the Respirator Liability Retention arrangements are in effect, to afford Buyer or its designees reasonable access, upon reasonable prior notice, to

all records pertaining to litigation or other proceedings or claims involving Respirator Medical Conditions.

(c) It is understood and agreed that, without limiting any other provision of this Agreement (including, without limitation, the foregoing subsections 4.12(a) and (b)), Cabot will not provide to Buyer after the Closing Date any of the insurance or self insurance arrangements currently provided by Cabot or any Seller for the benefit of the Business.

5. Conditions Precedent

5.1. Conditions Precedent to Obligations of Parties. The respective obligations of the parties hereto to consummate the transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing Date of the following conditions:

(a) No Injunction, etc. No preliminary or permanent injunction or other order issued by any court of competent jurisdiction or governmental or regulatory body nor any statute, rule, regulation or executive order promulgated or enacted by any governmental authority which restrains, enjoins or otherwise prohibits any of the transactions contemplated hereby shall be in effect.

(b) Antitrust Matters. Any filings required to be made by Buyer and Sellers under the Antitrust Improvements Act shall have been made, and the specified waiting periods thereunder (and any extensions thereof) shall have expired without the receipt of any objections from the appropriate governmental agency.

(c) Stockholders', Subscription. The Stockholders' Agreement, in substantially the form of Exhibit C hereto (the "Stockholders' Agreement"), and the Subscription Agreement, in substantially the form of Exhibit A hereto (the "Subscription Agreement") pursuant to which Vestar Equity Partners, L.P. (and Leonard Lieberman, the Seelig Family Lifetime Trust and any other designees approved by Cabot) shall have subscribed for 42,500 shares of Common Stock at an aggregate price of $8,500,000 and Preferred Stock with an initial stated value and purchase price equal to the Required Preferred Amount., shall have been executed and delivered by the parties thereto, and the transactions required to be consummated on the Closing Date pursuant thereto, including the equity investments in Buyer as set forth therein, shall have been completed.

(e) Trademark Coexistence Agreement. The Trademark Coexistence Agreement, in substantially the form of Exhibit B hereto (the "Trademark

Coexistence Agreement"), shall have been executed and delivered by the parties thereto.

(f) Management Arrangements. Each member of management designated by Buyer and CSC shall have entered into option and stock subscription and/or restricted stock grant arrangements satisfactory to the Buyer and CSC, and Holdings shall have received cash consideration for stock and equity incentives issued to them in an amount equal not less than $3 million less the amount deducted in determining the Cash Amount pursuant to clause (ii) of the last sentence of Section 2.2(b).

5.2. Conditions Precedent to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or waiver by Buyer) at or prior to the Closing Date of each of the following conditions:

(a) Accuracy of Representations and Warranties. All representations and warranties of Sellers and Cabot contained herein or in any certificate, instrument or other document delivered to Buyer pursuant hereto shall be true and correct in all material respects on and as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except to the extent that any such representation and warranty is made as of a specified date, in which case such representation and warranty shall have been true and correct as of such date, and except to the extent that such representation or warranty has been revised and accepted pursuant to Section 4.10.

(b) Performance of Obligations. Sellers and Cabot shall have performed all obligations and agreements, and complied with all covenants and conditions, contained in this Agreement to be performed or complied with by them prior to the Closing Date.

(c) Officers' Certificate. Buyer shall have received a certificate, dated the Closing Date, of each of the President of CSC and the Treasurer or any Vice President of Cabot to the effect that the conditions specified in subsections (a) and (b) above have been fulfilled.

(d) Opinion. Buyer shall have received an opinion dated the Closing Date from counsel to Sellers, in form reasonably satisfactory to it.

(e) Funding. Buyer shall have received the proceeds of (i) at least $135 million of debt financing and (ii) an additional committed working capital facility for the Buyer of at least $15 million shall be in effect, in each case on terms and conditions satisfactory to Buyer.

(f) Consents, etc. All licenses, permits, consents, approvals, authorizations and orders of governmental authorities and other third parties necessary for the consummation of the transactions contemplated hereby, and the continuation of the business transferred pursuant hereto as currently conducted following such consummation, shall have been obtained.

(g) Actions and Proceedings. All corporate actions, proceedings, instruments and documents of Sellers required to carry out the transactions contemplated by this Agreement or incidental thereto and all other related legal matters shall be reasonably satisfactory to counsel for Buyer, and such counsel shall have been furnished with such certified copies of such corporate actions and proceedings and such other instruments and documents as it shall have reasonably requested.

5.3. Conditions Precedent to the Obligations of Sellers. The obligations of Sellers and Cabot to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or waiver by Sellers and Cabot) at or prior to the Closing Date of each of the following conditions:

(a) Accuracy of Representations and Warranties. All representations and warranties of Buyer contained herein or in any certificate, instrument or other document delivered to Sellers or Cabot pursuant hereto shall be true and correct in all material respects on and as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except to the extent that any such representation and warranty is made as of a specified date, in which case such representation and warranty shall have been true and correct as of such date.

(b) Performance of Obligations. Buyer shall have performed all obligations and agreements, and complied with all covenants and conditions, contained in this Agreement to be performed or complied with by it prior to the Closing Date (including those contained in Article 6).

(c) Officer's Certificate. Sellers shall have received a certificate, dated the Closing Date, of the President of Buyer to the effect that the conditions specified in paragraphs (a) and (b) above have been fulfilled.

(d) Actions and Proceedings. All corporate actions, proceedings, instruments and documents of Buyer required to carry out the transactions contemplated by this Agreement or incidental thereto and all other related legal matters shall be reasonably satisfactory to counsel for Sellers, and such counsel shall have been furnished with such certified copies of such corporate actions and

proceedings and such other instruments and documents as it shall have reasonably requested.

(e) Opinion. Cabot and Sellers shall have received an opinion dated the Closing Date from counsel to Buyer, in form reasonably satisfactory to it.

6. Employees and Employee Benefits

6.1. Offer of Employment. Buyer shall offer employment, commencing on the Closing Date on the same terms and conditions presently offered by Sellers to all salaried and hourly employees employed by Sellers with respect to the Business other than members of management, with respect to whom Buyer shall offer Employment on such terms as Buyer and such individuals may agree, provided that the foregoing shall not be deemed to restrict the Buyer's right, after the Closing Date, to terminate the employment, or change the terms or conditions thereof, of any Transferred Employee (as defined below). Those employees to whom offers of employment are made and who commence employment as of the Closing Date shall be collectively referred to as the "Transferred Employees". However, Buyer represents that while it may change the elements of compensation and benefits for Transferred Employees, it is Buyer's intention, absent a change in circumstances, that the total compensation and benefit package for Transferred Employees will be at least comparable to their present total compensation and benefit package. For purposes of this section 6.1, any person on short-term disability, vacation or leave of absence with a definite date of return shall be considered offered employment as set forth in this section; but any person on long-term disability, layoff or on a leave of absence with no prior agreement or understanding to return to employment with Sellers at the end of such disability, layoff or leave shall not be considered offered employment. Sellers shall remain liable for any amounts to which any employee (including a Transferred Employee) of the Sellers becomes entitled under any benefit or severance policy, plan, agreement, arrangement or program which exists or arises, or may be deemed to exist or arise, under any applicable law or otherwise, as a result of, or in connection with, the transactions contemplated by this Agreement.

6.2. Existing Benefit Plans. (a) Cash Balance and 401(k) Plan. Buyer shall, on the Closing Date, assume sponsorship of the Cabot Safety Corporation Employees' Retirement Account Plan and the Cabot Safety Corporation Employees' 401(k) Savings Plan and the Specialty Composites Corporation Non-Union Employees' Retirement Plan. Such plans shall be amended to reflect the provisions agreed to in this paragraph (a).

(b) SERP. On the Closing Date, Buyer shall assume sponsorship of the Cabot Safety Corporation Supplemental Executive Retirement Plan which plan shall be amended to reflect such assumption.

(c) Welfare Plans. On the Closing Date, Buyer shall assume sponsorship of the "employee welfare benefit plans" (as defined in section 3(1) of ERISA) sponsored by CSC pursuant to which any Transferred Employees may receive health, dental, life insurance, accidental death and dismemberment and disability benefits and CSC shall, at the election of Buyer and with the consent of any insurer if required, assign to Buyer any contract of insurance pursuant to which such benefits are provided. For at least two years after the Closing Date, Buyer shall provide employee benefits for the benefit of the Transferred Employees on terms no less favorable in the aggregate than those currently provided under such employee welfare benefit plans and the retirement plans referred to in paragraph (a) above.

(d) Information to be Supplied. With respect to plans the sponsorship of which is assumed hereunder, Sellers shall promptly supply Buyer with (i) all records concerning participation, vesting, accrual of benefits, payment of benefits and election forms under the applicable plans and (ii) any other information reasonably requested by Buyer that is necessary or appropriate for the administration of the plans.

(e) Indemnity. Sellers agree to defend, indemnify and hold harmless Buyer and any of its affiliates from and against any cost, liability and expense actually incurred by any of them as a result of any claim made by any employee of the Sellers for severance pay arising as a result of the transactions contemplated by this Agreement (assuming compliance by Buyer with Section 6.1).

(f) No Rights Conferred on Employees. Nothing herein expressed or implied shall confer upon any Transferred Employee any rights or remedies, including, without limitation, any right to employment, or continued employment for any specified period, of any nature or kind whatsoever under or by reason of this Agreement.

7. Termination

7.1. General. This Agreement may be terminated and the transactions contemplated herein abandoned (a) by mutual consent of Buyer and Sellers, (b) by Buyer, if there has been a material breach of Sellers' or Cabot's covenants and agreements hereunder or if the conditions contained in Section 5.2 cannot be fulfilled on or before the Closing Date, as extended by agreement of the parties, (c) by Sellers, if there has been a material breach of Buyer's covenants and agreements hereunder or if the conditions contained in Section 5.3 cannot be fulfilled on or before the Closing Date, as extended by agreement of the parties, (d) by Buyer or CSC by notice to the other parties in the event that the Closing Date shall not have

occurred on or before July 31, 1995, unless such date is extended by mutual agreement of the parties or (e) by Buyer pursuant to Section 4.10.

7.2. No Liabilities in Event of Termination. In the event of any termination of this Agreement pursuant to Section 4.10 or Section 7.1, this Agreement shall forthwith become null and void and of no further force or effect and there shall be no liability on the part of Buyer, Sellers or Cabot, except that Section 10.2 of this Agreement shall remain in full force and effect, and except that termination shall not preclude any party from suing any other party for actual common law fraud or wilful breach of this Agreement.

7.3. Return of Documents. In the event of the termination of this Agreement pursuant to this Section 7, Buyer agrees, upon request of Sellers, to return all documents of Sellers previously provided to Buyer.

8. Indemnification

8.1. Sellers and Cabot Indemnity. Sellers and Cabot jointly and severally agree to indemnify and hold Buyer and its Affiliates harmless against and in respect of (i) all obligations and liabilities of Sellers or any of their Affiliates, whether accrued, absolute, fixed, contingent or otherwise, not assumed by Buyer pursuant to the Assumption Agreement or under any other agreement executed and delivered by the parties in furtherance of the transactions described herein; (ii) any claim, cost, loss, liability or damage incurred or sustained by Buyer or its Affiliates as a result of any misrepresentation or breach of warranty by Sellers or Cabot (except as disclosed prior to the Closing pursuant to Section 4.10 and other than breaches of the tax related representations and warranties contained in subsection 3.1(t) which are dealt with in Article 9) or a breach by Sellers or Cabot of any covenant or other agreement contained herein or under any other agreement executed and delivered by the parties in furtherance of the transactions described herein; and (iii) all reasonable costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Buyer or its Affiliates in connection with any action, suit, proceeding, demand, assessment or judgment incident to any of the matters indemnified against in this Section 8.1. In addition, in the event that the A-O Purchase Agreement (as defined below) has not satisfactorily been assigned to Buyer, Sellers and Cabot jointly and severally agree to indemnify and hold Buyer and its Affiliates harmless against and in respect of any claim, cost, loss, liability or damage incurred or sustained by Buyer or its Affiliates in connection with (i) environmental matters affecting the Business to the extent covered by any indemnity or similar agreement under or pursuant to the Purchase Agreement, dated January 30, 1990 (the "A-O Purchase Agreement"), between American Optical Corporation and Cabot Acquisition Corp., as amended (an "A-O Environmental Loss") and (ii) at any and all

times that the Respirator Liability Retention is not in effect as set forth in Section 4.12, liabilities covered by Section 1.6(j) involving respirators or similar devices manufactured by American Optical Corporation and its predecessors and not constituting Excluded Liabilities under 1.6(b), to the extent covered by any indemnity or similar agreement under or pursuant to the A-O Purchase Agreement (an "A-O Respirator Loss"); provided, however, that Sellers and Cabot shall not be liable to Buyer and its Affiliates for any such indemnification unless and until, and then only to the extent that, Sellers and Cabot have actually recovered under such A-O Purchase Agreement amounts in respect of such A-O Environmental Loss or A-O Respirator Loss, as the case may be, that exceed the aggregate loss, costs and expenses theretofore incurred by Sellers or Cabot (other than in respect of their obligations hereunder) in respect of such A-O Environmental Loss or A-O Respirator Loss, or in enforcing their rights to indemnification for an A-O Environmental Loss or A-O Respirator Loss, as the case may be, under such A-O Purchase Agreement. Cabot and Sellers shall use their commercially reasonable best efforts to obtain any such recovery to which any or all of Cabot or any of the Sellers are entitled under such A-O Purchase Agreement in respect of any A-O Environmental Loss or A-O Respirator Loss.

8.2. Buyer Indemnity. Buyer and its subsidiaries jointly and severally agree to indemnify and hold Sellers and Cabot and their respective Affiliates harmless against and in respect of (i) all obligations and liabilities whether accrued, absolute, fixed, contingent or otherwise, assumed by Buyer and its subsidiaries pursuant to this Agreement, the Assumption Agreement or under any other agreement executed and delivered by the parties in furtherance of the transactions described herein; (ii) any claim, cost, loss, liability or damage incurred or sustained by Sellers or Cabot or their respective Affiliates as a result of any misrepresentation or breach of warranty by Buyer or a breach by Buyer of any covenant or other agreement contained herein or under any other agreement executed and delivered by the parties in furtherance of the transactions described herein; (iii) any claim, cost, loss, liability or damage incurred or sustained by Cabot, Sellers or any Affiliate of Sellers as a result of the operation of the business and Assets by Buyer following the opening of business on the Closing Date; and (iv) all reasonable costs and expenses (including reasonable attorneys' fees and allocable costs of in-house legal staff and disbursements) incurred by Sellers or their Affiliates in connection with any action, suit, proceeding, demand, assessment or judgment incident to any of the matters indemnified against in this Section 8.2.

8.3. Procedures for Indemnification. Promptly after receipt by an indemnified party under this Section 8 of notice of any claim, the commencement of any action, or the discovery of any facts or circumstances which could reasonably result in, if not attended to, a claim or commencement of any action, the indemnified party shall, if a claim in respect thereof is to be or may be made against the

indemnifying party under this Section 8, notify the indemnifying party in writing of the claim, the commencement of that action or state of facts or circumstances; but a delay in giving such notice shall not relieve the indemnifying party of its indemnification obligations unless it has been prejudiced by such delay. If any such claim shall be brought against an indemnified party, the indemnifying party shall have the sole right to defend, settle or otherwise dispose of such claim, on such terms as the indemnifying party, in its sole discretion, shall deem appropriate; provided, however, that the indemnifying party shall obtain the written consent of the indemnified party, which shall not be unreasonably withheld or delayed, prior to ceasing to defend, settling or otherwise disposing of any such claim if as a result thereof the indemnified party would become subject to injunctive or other equitable relief or the business of the indemnified party would be adversely affected in any manner. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 8 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof; provided, however, that the indemnified party shall have the right at its sole cost and expense to employ counsel to represent it if, in the indemnified party's reasonable judgment, it is advisable for the indemnified party to be represented by separate counsel. The parties each agree to render to the other parties such assistance as may reasonably be requested in order to insure the proper and adequate defense of any such claim or proceeding.

8.4. Additional Agreements. (a) The indemnities provided in this Section 8 shall survive the Closing, except that: (i) Sellers and Cabot shall not be liable for any indemnification claim hereunder with respect to a misrepresentation or a breach of any warranty contained in (1) subsection 3.1(m) or (q), unless notice of such claim shall have been delivered in accordance with this Section 8 on or before the third anniversary of the Closing Date and (2) any subsection of Section 3.1 (other than subsections 3.1(m), (q) and (t)), unless notice of such claim shall have been delivered in accordance with this Section 8 on or before the date that is 18 months after the Closing Date; and (ii) Buyer shall not be liable for any indemnification claim hereunder with respect to a misrepresentation or a breach of any warranty contained in Section 3.2, unless notice of such claim shall have been delivered in accordance with this Section 8 on or before the date that is 18 months after the Closing Date.

(b) Sellers and Cabot shall not be liable pursuant to this Section 8 for any losses or claims in respect of any breach of representation or warranty hereunder until the aggregate amount of all such losses and claims referred to in this Section exceeds $3,000,000, at which time such parties shall be liable in respect of all such losses and claims, including such $3,000,000. The aggregate indemnification obligations of Sellers and Cabot under Section 8 for any claim or loss in respect of

any breach of representation or warranty hereunder shall not exceed the amount equal to the net cash proceeds to Sellers of the transactions contemplated hereby remaining after giving effect to the repayment of indebtedness of Sellers in connection therewith concurrently with the consummation of such transactions. Such limitation shall not apply to Sellers' and Cabot's indemnification obligations in respect of Taxes, which obligations are governed solely by the provisions set forth in Section 9 below.

(c) Each party hereto agrees that indemnification pursuant to this Section 8 (and, with respect to Taxes, under Section 9) shall be the exclusive remedy of such party against another party hereto for breach of representations and warranties under this Agreement.

9. Indemnification for Taxes and Other Tax Matters

9.1. Indemnification for Taxes. From and after the Closing Date, Sellers shall save, defend, indemnify and hold Buyer and each of the Foreign Sales Companies harmless from and against (a) any and all Taxes imposed on any member of any consolidated, combined or unitary group that includes the Sellers or any Foreign Sales Company for any taxable period or (b) any and all Taxes with respect to which any Foreign Sales Company or any entity as successor thereto is liable, in each case only to the extent such Taxes exceed, in the aggregate, the accruals therefor in the Financial Information or on the books of the Foreign Sales Companies, in the aggregate, and are attributable to, accrue during or are otherwise allocable to (X) any taxable period ending on or prior to the Closing Date, (Y) that portion of any taxable period prior to and including the Closing Date (an "Interim Period") (Interim Periods and any taxable years that end on or before the Closing Date being referred to collectively hereinafter as "Pre-Closing Periods"), or (Z) any taxable period that includes the Closing Date and which are not attributable to the income or activities of the Foreign Sales Companies during the portion of such taxable period after the Closing Date, (c) any and all claims, costs, losses, liabilities or damages (including reasonable attorneys' fees and disbursements) arising out of or resulting from (A) the inaccuracy or breach of any representation or warranty made by Sellers or Cabot in clauses (i), (vii), or (viii) of Section 3.1(t), or (B) the failure by Sellers or Cabot to perform or observe any covenant or agreement contained in Section 4.9 and (d) any and all claims, costs, losses, liabilities or damages arising out of or resulting from a finding that the representations contained in the penultimate sentence of Section 4.9 were untrue when made, provided that in the case of this clause (d), Cabot and Sellers shall have no liability to Buyer unless it has been determined by clear and convincing evidence in a court of competent jurisdiction that such representations were fraudulently made.

9.2. Apportionment of Tax Liability. In order appropriately to apportion any Taxes of the Foreign Sales Companies relating to any taxable year that includes an Interim Period, the parties hereto shall, at Cabot's option, either (i) cooperate to elect with the relevant Taxing authority to treat for all purposes the Closing Date as the last day of the taxable year of the Foreign Sales Companies, and such Interim Period shall be treated as a short taxable year and a Pre-Closing Period for purposes of this Agreement, or (ii) in the case of any Tax imposed on gross or net income, to apportion such Taxes for an Interim Period as if such Interim Period were a short taxable year. All other Taxes of the Foreign Sales Companies that are attributable to a taxable year that includes an Interim Period shall be apportioned to the period to which they legally relate, or, if not capable of being so apportioned, shall be apportioned based upon a fraction, the numerator of which is the number of days in the Interim Period, and the denominator of which is the number of days in such taxable year.

9.3. Allocation of Purchase Price. Within 180 days after the Closing Date, Buyer shall provide to Sellers copies of Internal Revenue Service Form 8594 and any required exhibits thereto with Buyer's proposed allocation of the purchase price for the Assets based on the fair market value assigned to such Assets by the Buyer ("Allocated Asset FMV").

9.4. Cash Flow Loans and Indemnification for Lost Tax Benefits. (a) Cabot, Sellers and Buyer have entered into this transaction based on (i) the Sellers' representation that Sellers' adjusted tax basis ("Historical Basis") in the Assets which are "Section 197 intangibles" within the meaning of Section 197(d) of the Code ("Section 197 Assets") and the remaining statutory recovery period or useful life ("Historical Recovery Periods") with respect to such Assets, in each case, as of June 30, 1995, are as set forth on Schedule 9.4 hereto; (ii) Sellers' representation that as of the Closing Date, such Historical Basis and Historical Recovery Periods shall be reduced only to the extent necessary to reflect the passage of time between July 1, 1995 and the Closing Date; and (iii) Sellers' representation that, except as otherwise indicated on Schedule 9.4, all such Section 197 Assets are depreciable for United States federal income tax purposes under the U.S. income tax principles in effect prior to the enactment of Section 197 of the Code.

(b) If the Historical Basis and/or Historical Recovery Periods of the Section 197 Assets are adjusted as a result of an audit of Cabot's, Seller's or Buyer's Return (hereinafter referred to, in each case, as an "Audit Adjustment"), Cabot and Sellers shall make interest-free loans to Buyer (each a "Cash Flow Loan") and shall jointly and severally reimburse and indemnify Buyer for the aggregate amount of any additional Taxes that are imposed on the Buyer (or any successor thereof) in respect of the Buyer's first twelve (12) taxable years following the Closing Date ("Additional Taxes"), but only to the extent of the Required Tax Indemnity Payment (as defined

below) and Buyer shall repay such Cash Flow Loans and/or make payments to Cabot and Sellers as hereinafter set forth.

(c) Within 30 days after each Determination Date, Arthur Andersen & Co., or such other nationally recognized public accounting firm as the parties may select for this purpose, shall calculate the Required Tax Indemnity Payment, and the details of such calculation shall be furnished to Cabot and Sellers. If Cabot objects to such calculations, it shall notify Buyer within 15 business days after receipt thereof, specifying its objections in reasonable detail. The parties shall meet promptly and negotiate in good faith to resolve any differences; any unresolved differences shall be referred for resolution to a nationally recognized public accounting firm selected by mutual agreement.

(d) The party owing the Required Tax Indemnity Payment shall make such payment or, in the case of Cabot or Sellers, a Cash Flow Loan equal to the amount of such payment, within 10 business days after the receipt by Cabot and Sellers of the calculation, in reasonable detail, of the Required Tax Indemnity Payment or, in the event of a dispute as to such calculation, 3 business days after the resolution of such dispute.

(e) Instead of making a Required Tax Indemnity Payment, Sellers may, at their option, elect to make a Cash Flow Loan to Buyer for the amount of such payment; provided, however, that Buyer shall be required to repay the aggregate principal amount of any such Cash Flow Loans only to the extent that such principal amount, plus the aggregate amount of any Required Tax Indemnity Payments made by Sellers which are not represented by such Cash Flow Loans, if any, exceeds the aggregate amount of any Required Tax Indemnity Payments made, or required to be made, by Sellers, as of the relevant Determination Date. Cabot and Sellers shall forgive the repayment of the principal amount of any Cash Flow Loans which Buyer is not required to repay under the preceding sentence with respect to Buyer's twelfth Relevant Taxable Year, and Cabot and Sellers shall make an additional payment to Buyer equal to the amount of any Additional Taxes payable by Buyer as a result of Cabot's and Sellers' forgiveness of such repayment and/or such additional payment.

(f) Notwithstanding any other provision of this Section 9.4, Sellers and Cabot shall not be required to make any further Cash Flow Loans or other payments to Buyer under this Section 9.4 after an initial public offering of the stock of Holdings, New Cabot Safety or any successor has been consummated.

(g) Cabot shall have the right, subject to any requirements of the Code, to determine the characterization of any payment made under this Section 9.4, and all parties shall file their Returns consistent with such characterization.

(h) The following definitions shall apply for purposes of this Section 9.4:

"Required Tax Indemnity Payment" means, as of each Determination Date, an amount equal to the Reimbursable Excess Income Taxes calculated as of such date less the aggregate amount of all Required Tax Indemnity Payments and Cash Flow Loans made in respect of all previous Determination Dates. In the event such difference is a positive number, Sellers and Cabot shall jointly and severally pay such difference to Buyer or make a Cash Flow Loan to Buyer equal to such amount. In the event such difference is a negative number, Buyer shall pay such difference to Cabot or Sellers or repay a Cash Flow Loan, as the case may be, but only to the extent that the aggregate amount of Required Tax Indemnity Payments previously paid to Buyer, or Cash Flow Loans made to Buyer, have not been previously repaid to Cabot or the Sellers.

"Determination Date" means the date or dates each year on which Buyer actually files its U.S. federal, state and local income or franchise tax returns (or amended returns) and pays (or is deemed to have paid) the taxes shown as due on such returns, or any other date on which Buyer otherwise makes an actual payment of such taxes (other than a payment of estimated taxes), following the date on which an Audit Adjustment occurs.

"Reimbursable Excess Income Taxes" means, as of any Determination Date, an amount equal to the excess, if any, of (a) the Income Taxes Actually Paid in respect of all Relevant Taxable Years that have ended on or prior to such Determination Date over (b) the sum of (x) the amount of U.S. federal, state and local income or franchise taxes (including all interest and penalties payable by Buyer with respect to such taxes) that Buyer would have paid, net of refunds, for all such Relevant Taxable Years but for an Audit Adjustment to the Historical Basis and/or Historical Recovery Periods of the Sellers, and/or the tax treatment of any loans and payments made by the parties hereunder plus (y) $250,000 times the number of such Relevant Taxable Years (or pro rata portion thereof in the case of any short Relevant Taxable Years).

"Relevant Taxable Year" means each of the first twelve (12) federal, state and local income or franchise taxable years of Buyer commencing on or after the Closing Date.

"Income Taxes Actually Paid" means, in respect of a Relevant Taxable Year, the sum of any U.S. federal, state and local income or franchise taxes that were actually paid by Buyer, net of refunds, in respect of such Relevant

Taxable Year with respect to Buyer (including all interest and penalties payable by Buyer with respect to such taxes) after giving effect to any amended Returns filed by Buyer with respect to such Relevant Taxable Year.

9.5. Transfer Taxes. All sales, motor vehicle or transfer Taxes, if any, required to be paid in connection with the transfer of the Assets (including any interest charge or penalty with respect thereto) shall be paid when due by Buyer and Sellers, with 50% of each such amount payable by Buyer and 50% of each such amount payable by Sellers.

9.6. Preparation of Tax Returns and Payment of Taxes Shown as Due Thereon. Sellers shall prepare and file, or cause to be prepared and filed, any and all Returns for, including or required to be filed by any Foreign Sales Company for any taxable period ending on or before the Closing Date and Sellers shall pay (or cause to be paid) all Taxes that are due with respect to such Returns. Buyer shall prepare and file, or cause to be prepared and filed, any and all Returns for, including or required to be filed by any Foreign Sales Company for any taxable period ending after the Closing Date and Buyer shall pay (or cause to be paid) all Taxes that are due with respect to such Returns.

9.7. Cooperation and Audits. In connection with the preparation of Tax Returns and audit examinations relating to the Foreign Sales Companies by any governmental Taxing authority or administrative or judicial proceedings resulting therefrom, Sellers, Buyer and the Foreign Sales Companies shall cooperate fully with one another, including but not limited to the furnishing or making available of records, personnel (as reasonably required), books of account, powers of attorney or other materials necessary or helpful for the preparation of returns, the conduct of audit examinations or the defense of claims by Taxing authorities as to the imposition of Taxes. After the Closing Date, CSC or Cabot shall control the conduct of all stages of any audit or other administrative or judicial proceeding with respect to Taxes reflected on all Tax Returns filed by the Foreign Sales Companies on or before the Closing Date, and Buyer shall control the conduct of all other audits or other administrative or judicial proceedings with respect to the Tax liability of the Foreign Sales Companies.

9.8. Code Section 351 Transfer. CSC, Cabot and Buyer agree that they shall treat CSC's transfer of the Exchanged Assets to Holdings in exchange for Holdings Stock as a Section 351 Transfer.

9.9. Exclusivity and Survival. The indemnification obligations of the Sellers under this Agreement with respect to Taxes and Section 3.1(t) shall be governed solely by the provisions of this Section 9 and, notwithstanding any other provision of this Agreement, the representations, warranties, covenants and

obligations of the Sellers contained in this Agreement relating to Taxes (including any indemnification obligation pursuant to Section 9.4) shall survive the Closing and shall remain in full force and effect until fully carried out or until the expiration of any applicable statute of limitations that forecloses the applicable Taxing authorities from assessing or imposing such Taxes (including, without limitation, Additional Taxes as defined in Section 9.4), provided that notice of such claim shall have been delivered to Cabot and Sellers on or before (A) the expiration of the longest statute of limitations applicable to claims against Seller by any relevant taxing authority in respect of all representations and warranties made in subsection 3.1(t) other than in clause (viii) thereof and (B) in respect of the representations and warranties made in subsection 3.1(t)(viii), the earlier to occur of (x) the second anniversary of the Closing Date, (y) the consummation of an Initial Public Offering and (z) the earliest date on which Vestar Equity Partners, L.P. or an Affiliate ceases to own an aggregate number of shares of Common Stock equal to at least 51% of the aggregate number of shares of Common Stock owned by it on the Closing Date. All claims for indemnification with respect to Taxes under this Section 9 of the Agreement shall be made in accordance with the provisions of Section 8.3 of this Agreement.

10. Miscellaneous

10.1. Public Announcements. No news release or other public announcement pertaining in any way to the transactions contemplated by this Agreement will be made by any party prior to the Closing Date without the prior written consent of the other parties, unless in the opinion of counsel to such party such release or announcement is required by law.

10.2. Expenses. In the event that the transactions contemplated by this Agreement are not completed, each of the parties hereto shall pay the fees and expenses incurred by it in connection with the negotiation, preparation, execution and performance of this Agreement, including, without limitation, attorneys' and accountants' fees; and except as otherwise provided herein, all such fees and expenses shall be paid by the Buyer in the event that the transactions contemplated by the Agreement are completed and the Closing occurs.

10.3. Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, by courier service or mail (with receipts), as follows:

(a) Prior to Closing, if to Sellers:

Cabot Safety Corporation
One Washington Mall
Boston, MA 01550
Telephone No. (617) 371-4200
Telecopy No. (617) 371-4233

Attention: General Counsel

with a copy to:

Cabot Corporation
75 State Street
Boston, MA 02109
Telephone No. 617-345-0100
Telecopy No. 617-342-6039

Attention: General Counsel

(b) After Closing, if to Sellers:

c/o Cabot Corporation
75 State Street
Boston, MA 02109
Telephone No. 617-345-0100
Telecopy No. 617-342-6039

Attention: General Counsel

(c) If to Buyer:

Cabot Safety Corporation
One Washington Mall
Boston, MA 01550
Telephone No. (617) 371-4200
Telecopy No. (617) 371-4233

with a copy to:

Vestar Equity Partners, L.P.
245 Park Avenue
New York, New York 10167

Telephone No. (212) 949-6500
Telecopy No. (212) 808-4922

Attention: Norman W. Alpert

with a copy to:

Simpson Thacher & Bartlett
425 Lexington Avenue
New York, New York 10017
Telephone No. (212) 455-2000
Telecopy No. (212) 455-2502

Attention: Wilson S. Neely

or to such other address or to the attention of such other person as any party shall have specified by notice in writing to the other parties. All such notices, requests, demands and communications shall be deemed to have been received on the date delivery is made or refused.

10.4. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) and the Confidentiality Letter constitutes the entire agreement between the parties hereto and supersedes all prior agreements and understandings, oral and written, between the parties hereto with respect to the subject matter hereof.

10.5. Binding Effect; Benefit. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement. Cabot agrees to cause each Seller to performance each of its respective obligations hereunder.

10.6. Bulk Sales Law. The parties agree to waive compliance with the provisions of the bulk sales law of any jurisdiction. Sellers agree to indemnify and hold harmless Buyer from and against any and all liabilities other than Assumed Liabilities which may be asserted by third parties against Buyer as a result of such noncompliance.

10.7. Assignability. This Agreement shall not be assignable, in whole or in part, by any party hereto without the prior written consent of the other parties hereto (except that Buyer may assign all or any portion of its rights hereunder to an Affiliate).

10.8. No Third Party Beneficiaries. Nothing herein expressed or implied shall confer upon any of the employees of Sellers, Buyer, or any of their Affiliates, any rights or remedies, including, without limitation, any right to employment, or continued employment for any specified period, of any nature or kind under or by reason of the Agreement.

10.9. Amendment; Waiver. This Agreement may be amended, supplemented or otherwise modified only by a written instrument executed by the parties hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the party so waiving. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants, or agreements contained herein, or in any documents delivered or to be delivered pursuant to this Agreement or in connection with the Closing hereunder. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

10.10. Non-Compete. In order that Buyer and its Affiliates may have and enjoy the full benefit of the Assets, each of Sellers and Cabot agree that, for a period of 5 years commencing on the Closing Date, neither Cabot nor any of its subsidiaries (including Sellers) will, without the express written approval of Buyer, directly or indirectly manage, own, operate or advise any foreign or domestic business (including any corporation, partnership, proprietorship, joint venture or other entity) which engages in any business, anywhere in the world, that competes with the Business as it is conducted on the Closing Date.

10.11. Certain Securities Representations. In connection with its receipt of capital stock pursuant to Section 2.2, CSC represents that (i) it is not an underwriter as such term is defined under the Securities Act of 1933 (the "Act") and it will receive the shares of Common Stock and Preferred Stock of New Cabot Safety for its account for the purpose of investment and not with a view to the distribution or resale thereof and (ii) it understands that such shares have not been registered under the Act or under any state securities law or blue sky law of any jurisdiction ("Blue Sky Law") and, therefore, none of such shares can be sold, assigned, transferred, pledged or otherwise disposed of without registration under the Act and under applicable Blue Sky Law or unless an exemption from registration thereunder is available; and agrees that it shall not sell, assign, transfer, pledge or otherwise dispose of any such shares (or any interest therein) without registration under the Act and under applicable Blue Sky Law or unless an exemption from registration thereunder is available. CSC understands that the stock certificate evidencing such shares will bear a legend to the effect of the foregoing.

10.12. Section Headings; Table of Contents. The section headings contained in this Agreement and the Table of Contents to this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

10.13. Severability. If any provision of this Agreement shall be declared by any court of competent jurisdiction to be illegal, void or unenforceable, all other provisions of this Agreement shall not be affected and shall remain in full force and effect.

10.14. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

10.15. APPLICABLE LAW; JURISDICTION; VENUE. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

CABOT SAFETY CORPORATION

By /s/ JOHN D. CURTIN, JR.

Name: John D. Curtin, Jr.
Title:Chairman

CABOT CANADA, LTD.

By /s/ DANIEL L. CURTIS

Name: Daniel L. Curtis
Title:President

CABOT SAFETY LIMITED

By /s/ IAN MITCHELL

Name: Ian Mitchell
Title:Managing Director

CABOT CORPORATION

By /s/ SAMUEL W. BODMAN

Name: Samuel W. Bodman
Title:Chairman

CABOT SAFETY HOLDINGS CORPORATION

By /s/ DANIEL O'CONNELL

Name: Daniel O'Connell
Title:President

CABOT SAFETY ACQUISITION CORPORATION

By /s/ NORMAN W. ALPERT

Name: Norman W. Alpert
Title:President

EXHIBIT 2(b)

STOCKHOLDERS' AGREEMENT

dated as of July 11, 1995

among

VESTAR EQUITY PARTNERS, L.P.,

CABOT CSC CORPORATION,

THE MANAGEMENT INVESTORS,

THE OTHER PARTIES HERETO

and

CABOT SAFETY HOLDINGS CORPORATION

TABLE OF CONTENTS

STOCKHOLDERS' AGREEMENT, dated as of July 11, 1995, among Vestar Equity Partners, L.P. ("Vestar"), Cabot CSC Corporation, formerly known as Cabot Safety Corporation ("Cabot"), Cabot Safety Holdings Corporation ("Holdings"), Cabot Corporation ("Cabot Parent") and the parties identified on the signature pages hereto or to the supplementary agreements referred to in Section 5.14 as Management Investors (the "Management Investors").

W I T N E S S E T H :

WHEREAS, as of the Closing Date, Vestar and its Affiliates, Cabot and the Management Investors are the holders of all of the outstanding shares of capital stock; and

WHEREAS, the parties hereto wish to enter into certain agreements with respect to the holdings by Vestar and its Affiliates, Cabot and the Management Investors and their respective Permitted Transferees of capital stock of Holdings;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, terms defined in the headings and the recitals shall have their respective assigned meanings, and the following capitalized terms shall have the meanings ascribed to them below:

"Affiliate" shall mean, with respect to any Person, (i) any Person that directly or indirectly controls, is controlled by or is under common control with, such Person, or (ii) any director, officer, partner or employee of such Person or any Person specified in clause (i) above, (iii) any Immediate Family Member of any Person specified in clause (i) or (ii) above and (iv) with respect to Vestar, Leonard Lieberman and the Seelig Family Lifetime Trust.

"Agreement" shall mean this Stockholders' Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Board of Directors" shall mean, unless otherwise specified hereunder, the Board of Directors of Holdings.

"Business Day" means a day other than a Saturday, Sunday, holiday or other day on which commercial banks in New York City or Massachusetts are authorized or required by law to close.

"Cabot Relative Percentage": shall mean, on any date, the percentage reflecting (a) the amount equal to (i) $31 million plus (ii) the aggregate purchase price paid by Cabot and its Affiliates for capital stock of Holdings after the Closing Date less (iii) the value, based on the price per share of Common Stock and Preferred Stock originally paid by Vestar, of all of the shares of Common Stock and Preferred Stock originally held by Cabot and its Affiliates and no longer held by Cabot or its Affiliates on such date, less (iv) the value, based on the price per share of such Common Stock and Preferred Stock acquired by such Cabot and its Affiliates after the Closing Date of all such shares no longer held by them on such date, as a percentage of (b) the amount calculated pursuant to the foregoing clause (a) for Vestar and its Affiliates for such date.

"Cause" shall mean (i) willful malfeasance or willful misconduct by a director in connection with the performance of his duties as such, (ii) the commission by a director of any felony or (iii) a determination by a court of competent jurisdiction in the United States that such director, as such or in any other capacity (whether or not relating to Holdings), breached a fiduciary duty owed by him or her to another Person.

"Charter Documents" shall mean the certificate of incorporation and bylaws of each of Holdings, each as in effect on the date hereof or as amended, modified or supplemented from time to time hereafter.

"Common Stock" shall mean the common stock, par value $.01 per share, of Holdings.

"Common Stock Equivalents" shall mean any warrants, rights, calls, options or other securities exchangeable or exercisable for or convertible into Common Stock.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Governmental Authority" shall mean any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Immediate Family Member" shall mean, with respect to any Person, a spouse, parent, child or sibling of such Person, or any spouse, parent, child or sibling of any of them.

"Independent Director" shall mean any director of Holdings who is not an Affiliate of any Stockholder or an employee of Holdings or any of its Affiliates.

"Initial Investors" shall mean Vestar, Leonard Lieberman, the Seelig Family Lifetime Trust, Cabot and the Management Investors on the date hereof.

"Permitted Transferee" shall mean any Person to whom an Initial Investor (or any direct or indirect Permitted Transferee thereof) transfers Securities in accordance with the terms of this Agreement and the Stock Subscription Agreement by which such transferor is bound (other than pursuant to a Public Offering or in accordance with Rule 144 under the Securities Act) and who becomes a party to, and is bound to the same extent as its transferor by the terms of, this Agreement and such Stock Subscription Agreement.

"Person" shall mean any individual, corporation, partnership, trust, joint stock company, business trust, unincorporated association, joint venture, Governmental Authority or other entity of any nature whatsoever.

"Preferred Stock" shall mean the 12.5% Preferred Stock of Holdings having the terms set forth in the certificate of designations in respect thereof included in the Charter Documents.

"Public Offering" shall mean a sale of Securities to the public pursuant to an effective registration statement filed under the Securities Act after which there is an active trading market in such Securities (it being understood that such an active trading market shall be deemed to exist if, among other things, such Securities are listed on a national securities exchange or quoted on the NASDAQ National Market System).

"Securities" shall mean shares of Common Stock, Common Stock Equivalents and/or Preferred Stock, whether owned on the date hereof or hereafter acquired.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Stockholders" shall mean Vestar, Leonard Lieberman, the Seelig Family Lifetime Trust, Cabot and the Management Investors and their respective Permitted Transferees.

"Stock Subscription Agreements" shall mean the collective reference to (i) the Vestar Subscription Agreement dated as of July 11, 1995 between Vestar and Holdings in respect of Common Stock and Preferred Stock and (ii) the Executive Security Purchase and Option Agreements between Holdings and the Management Investors.

"Subsidiary" means, with respect to any Person, any corporation, partnership, association or other business entity of which fifty percent (50%) or more of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof, or fifty percent (50%) or more of the equity interest therein, is at the time owned or controlled, directly or indirectly, by any Person or one or more of the other Subsidiaries of such Person or a combination thereof.

"Third Party" shall mean any Person other than the Stockholders and their Affiliates.

"Transfer" shall mean any transfer, sale, assignment, distribution, exchange, mortgage, pledge, hypothecation or other disposition of any Securities or any interest therein.

"Vestar Relative Percentage": shall mean, on any date, the percentage reflecting (a) the amount equal to (i) $31 million plus (ii) the aggregate purchase price paid by Vestar and its Affiliates for capital stock of Holdings after the Closing Date less (iii) the value, based on the price per share of Common Stock and Preferred Stock originally paid by Vestar, of all of the shares of Common Stock and Preferred Stock originally held by Vestar and its Affiliates and no longer held by Vestar or its Affiliates on such date, less (iv) the value, based on the price per share of such Common Stock and Preferred Stock acquired by such Vestar and its Affiliates after the Closing Date of all such shares no longer held by them on such date, as a percentage of (b) the amount calculated pursuant to the foregoing clause (a) for Cabot and its Affiliates for such date.

1.2 Other Definitional Provisions; Interpretation. (a) The words "hereof", "herein", and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Subsection, Schedule and Exhibit references are to this Agreement unless otherwise specified. Unless otherwise defined herein, capitalized terms shall be used herein as defined in the Asset Transfer Agreement, dated as of June 13, 1995 (the "Asset Transfer Agreement"), among Cabot Safety Corporation, Cabot Corporation, Cabot Safety Holdings Corporation, Cabot Safety Acquisition Corporation and the other parties thereto.

(b) The headings in this Agreement are included for convenience of reference only and shall not limit or otherwise affect the meaning or interpretation of this Agreement.

(c) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(d) For purposes of computing or comparing the beneficial ownership of Securities of any Person on the date of execution and delivery of this Agreement to the level of such ownership at any later time, the level of ownership on such later date shall be adjusted to eliminate the effect of any subdivision of the such Securities any combination of such Securities, any issuance of such Securities (or, in the case of Common Stock, Common Stock Equivalents) by reason of any reclassification (including, without limitation, any reclassification in connection with a merger or consolidation), or any dividend payable in such Securities (or, in the case of Common Stock, Common Stock Equivalents).

SECTION 2. VOTING AGREEMENTS

2.1 Election of Directors. (a) Each Stockholder hereby agrees that so long as this Agreement shall remain in effect such Stockholder will vote all of the Common Stock owned or held of record by such Stockholder so as to elect and, during such period, to continue in office a Board of Directors of Holdings and each Subsidiary of Holdings, each consisting solely of the following:

(i) 3 designees of Vestar, so long as (A) the Vestar Relative Percentage is not less than 75% or (B) Vestar and its Affiliates beneficially own on a fully diluted basis an aggregate number of shares of Common Stock not less than 50% of the number of shares of Common Stock beneficially owned on a fully diluted basis by Vestar on the date of its execution and delivery of this Agreement; and

(ii) 2 designees of Cabot, so long as (A) the Cabot Relative Percentage is not less than 75% or (B) Cabot and its Affiliates beneficially own on a fully diluted basis an aggregate number of shares of Common Stock not less than 50% of the number of shares of Common Stock beneficially owned on a fully diluted basis by Cabot on the date of its execution and delivery of this Agreement; and

(iii) 2 additional designees of Vestar who are not partners, officers or employees of any of Vestar and its Affiliates, so long as (A) the Vestar Relative Percentage is not less than 75% or (B) Vestar and its Affiliates beneficially own on a fully diluted basis an aggregate number of shares of Common Stock not less than 75% of the number of shares of Common Stock beneficially owned on a fully diluted basis by Vestar on the date of its execution and delivery of this Agreement, provided that Vestar will notify Cabot in writing in advance of the identities of such proposed designees and obtain Cabot's approval thereof, which such approval shall not be unreasonably withheld; and

(iv) 2 designees of the Management Investors, so long as the Management Investors together beneficially own on a fully diluted basis an aggregate number of shares of Common Stock not less than 25% of the number of shares of Common Stock beneficially owned on a fully diluted basis by the Management Investors on the Closing Date, provided that the two initial designees shall be John D. Curtin, Jr. and Albert F. Young, Jr., and, in the case of subsequent designees other than these initial designees, shall be officers serving in similar capacities designated by the holders of a majority of the Common Stock held by Management Investors.

(b) If at any time during the period specified in paragraph (a) above any of the Stockholders entitled to designate directors pursuant thereto shall notify the others of its desire to remove, with or without Cause, any director of Holdings or any of its Subsidiaries previously

designated by them and their respective Permitted Transferees, each Stockholder shall vote all of the voting Securities owned or held of record by it so as to remove such director.

(c) If at any time during the period specified in paragraph (a) above any director previously designated by any Stockholder entitled to designate directors pursuant thereto ceases to serve on the Board of Directors of Holdings (whether by reason of death, resignation, removal or otherwise), the Stockholder or Stockholders who designated such director shall be entitled to designate a successor director to fill the vacancy created thereby on the terms and subject to the conditions of paragraph (a). Each Stockholder agrees that such Stockholder will vote all of the voting Securities owned or held of record by such Stockholder so as to elect any such director.

(d) The parties hereto hereby agree that any individual designated as a director of Holdings may (and shall, at the request of Vestar or Cabot) be removed for Cause by the Stockholders if Cause for removal exists. No such removal of an individual designated pursuant to this Section 2.1 shall affect any of the Stockholders' rights to designate a different individual pursuant to this Section 2.1.

(e) Notwithstanding the foregoing, in the event that both Cabot and Vestar and their respective Affiliates own on a fully diluted basis an aggregate number of shares of Common Stock which is less than 10% of the number of shares of Common Stock respectively owned by them on the Closing Date, then the provisions of this Section 2.1 shall terminate.

2.2 Other Voting Matters. Each of Cabot and the Management Investors and their respective Permitted Transferees hereby agrees that, so long as the "Drag-Along" rights under Section 3.6 are in effect, such Stockholder will, if a vote is taken, vote all of the Securities owned or held of record by such Stockholder to ratify, approve and adopt the following actions to the extent they are adopted or approved by the Board of Directors: (a) any merger or consolidation involving Holdings that is, in substance, an acquisition of another company by Holdings or a sale of Holdings and in either case does not affect in any way the relative rights of Cabot and Vestar or result in any benefit to Vestar other than benefits to it as a shareholder of Holdings equal to the benefits received by other shareholders, share for share, and (b) any amendment to the Holdings Certificate of Incorporation, provided that such amendment does not adversely affect such Stockholder in a manner different from that in which any other Stockholder is affected, in light of all of the circumstances including any concurrent or contemplated transactions. In addition, so long as the provisions of Section 2.1 remain in effect, the Stockholders shall not vote to approve, ratify or adopt any amendment to the Bylaws of Holdings unless such amendment is expressly authorized under this Agreement or recommended by the Board of Directors. Notwithstanding the foregoing, such Stockholder may vote such Stockholder's shares of Preferred Stock, if any, in such Stockholder's sole discretion with respect to (x) any proposed amendment to the Certificate of Incorporation or By-Laws of Holdings or the certificate of designations or any other specified designations, rights, preferences, or powers of such Preferred Stock, in each case which is adverse to holders of such Preferred Stock and (y) any matter on which holders of Preferred Stock are entitled to vote as a separate class pursuant to applicable law, the Certificate of Incorporation of Holdings or the certificate of designations or any other specified designations, rights, preferences, or powers of such preferred stock.

SECTION 3. TRANSFERS AND ISSUANCES

3.1 Limitations on Transfer. (a) Each Stockholder hereby agrees that such Stockholder will not, directly or indirectly, Transfer any Securities unless such Transfer complies with the provisions hereof and (i) such Transfer is pursuant to an effective registration statement under the Securities Act and has been registered under all applicable state securities or "blue sky" laws or (ii) such Stockholder shall have furnished Holdings with a written opinion in form and substance reasonably satisfactory to Holdings of counsel reasonably satisfactory to Holdings to the effect that no such registration is required because of the availability of an exemption from registration under the Securities Act and all applicable state securities or "blue sky" laws.

(b) Each Stockholder hereby agrees that, except for Transfers in connection with a Public Offering, Transfers pursuant to Section 3.4 or 3.6 and Transfers pursuant to Rule 144 under the Securities Act, no Transfer shall occur unless the transferee shall agree in writing to become a party to, and be bound to the same extent as its transferor by the terms of, this Agreement pursuant to the provisions of Section 5.6. Each of Cabot, the Management Investors and their respective Permitted Transferees hereby also agrees that, so long as this Agreement is in effect and prior to the earliest to occur of (i) a Public Offering, (ii) the fifth anniversary of the Closing Date and (iii) the first date on which Vestar and its Affiliates beneficially own on a fully diluted basis an aggregate number of shares of Common Stock less than 60% of the number of shares of Common Stock beneficially owned on a fully diluted basis by Vestar on the date of its execution and delivery of this Agreement, such Stockholder shall not effect a Transfer, except for Transfers in connection with a Public Offering, Transfers pursuant to Section 3.2, 3.4 or 3.6, and Transfers pursuant to Rule 144 under the Securities Act, without the prior written consent of Vestar (which consent may be withheld by Vestar in its absolute discretion).

3.2 Transfers to Affiliates. (a) Notwithstanding any other provision of this Agreement to the contrary (a) Vestar and its Affiliates (but not any other non-Affiliate Permitted Transferee of any thereof) and (b) Cabot and its Affiliates (but not any other non-Affiliate Permitted Transferee of any thereof), shall be entitled from time to time, without compliance with any of the procedures specified in Section 3.4, to Transfer any or all of the Securities beneficially owned by them to any of their Affiliates who agree to become a party to, and be bound to the same extent as its transferor by the terms of, this Agreement, provided that any such Transfer shall be subject to the provisions of Section 3.4 to the extent that aggregate number of shares of Common Stock or Preferred Stock Transferred by Vestar or Cabot to their respective Affiliates that are Affiliates as described in clause (ii) of the definition thereof (other than Affiliates which are partners of such Stockholder) or the Immediate Family Members of such Affiliates exceeds 10% of the number of shares of Common Stock or Preferred Stock, as the case may be, held by such Stockholder on the date hereof. Any Transfer by Vestar or its Affiliates to any of their respective partners of any or all of the Securities beneficially owned by them shall be deemed to be a Transfer to Affiliates of Vestar for purposes of this Section 3.2.

(b) Cabot Parent agrees that it will not Transfer any shares of Cabot or any direct or indirect Subsidiary of Cabot Parent that directly or indirectly owns shares of Cabot in a transaction which, if the Securities beneficially owned by Cabot were Transferred directly by Cabot, would be subject to the provisions of this Article 3. In the event Cabot Parent seeks to Transfer any shares of any such direct or indirect Subsidiary, arrangements acceptable to Vestar shall be entered into to cause the provisions of this Article 3 to apply to such sale in a manner that results in the same treatment as though the Securities beneficially owned by Cabot were directly Transferred by Cabot. Vestar agrees that it will not Transfer any direct or indirect ownership interest of Vestar in any entity that directly or indirectly owns the Securities initially held by Vestar in a transaction which, if the Securities beneficially owned by Vestar were Transferred directly by Vestar, would be subject to the provisions of this Article 3. In the event Vestar seeks to Transfer any ownership interests in any such entity, arrangements acceptable to Cabot shall be

entered into to cause the provisions of this Article 3 to apply to such sale in a manner that results in the same treatment as though the Securities beneficially owned by Vestar were directly Transferred by Vestar.

3.3 Effect of Void Transfers. In the event of any purported Transfer of any Securities in violation of the provisions of this Agreement, such purported Transfer shall be void and of no effect and Holdings shall not give effect to such Transfer.

3.4 Tag-Along Rights. (a) So long as this Agreement shall remain in effect and a Public Offering of Common Stock shall not have occurred, with respect to any proposed Transfer by a Stockholder (in such capacity, a "Transferring Stockholder") of Common Stock permitted hereunder other than as provided in Section 3.2 or 3.5, the Transferring Stockholder shall have the obligation, and each other Stockholder shall have the right, to require the proposed transferee to purchase from each Stockholder having and exercising such right (a "Tagging Stockholder") a number of shares of Common Stock up to the product (rounded up to the nearest whole number) of (i) the quotient determined by dividing the aggregate number of shares of Common Stock beneficially owned on a fully diluted basis by such Tagging Stockholder by the aggregate number of shares of Common Stock beneficially owned on a fully diluted basis by the Transferring Stockholder and all Tagging Stockholders and (ii) the total number of shares of Common Stock proposed to be directly or indirectly Transferred to the transferee in the contemplated Transfer, and at the same price per share of Common Stock and upon the same terms and conditions (including without limitation time of payment and form of consideration) as to be paid and given to the Transferring Stockholder, provided that (i) if any Tagging Stockholder does not elect to participate for its full pro rata share, the balance of its share shall be allocated among the Transferring Stockholder and the Tagging Stockholders pro rata up to the amount each wishes to sell in the transaction, and (ii) in order to be entitled to exercise its right to sell shares of Common Stock to the proposed transferee pursuant to this Section 3.4(a), a Tagging Stockholder must agree to make to the transferee the same representations, warranties, covenants, indemnities and agreements as the Transferring Stockholder agrees to make in connection with the proposed Transfer of the shares of Common Stock of the Transferring Stockholder (except that in the case of representations and warranties pertaining specifically to the Transferring Stockholder a Tagging Stockholder shall make the comparable representations and warranties pertaining specifically to itself), and provided, further, that all representations and warranties shall be made by Tagging Stockholders severally and not jointly and that the liability of the Transferring Stockholder and the Tagging Stockholders (whether pursuant to a representation, warranty, covenant, indemnification provision or agreement) for liabilities in respect of Holdings shall be evidenced in writings executed by them and the transferee and shall be borne by each of them on a pro rata basis. Any Tagging Stockholder that is a holder of Common Stock Equivalents and wishes to participate in a sale of Common Stock pursuant to this Section 3.4(a) shall convert into or exercise or exchange such number of Common Stock Equivalents for Common Stock as may be required therefor on or prior to the closing date of such Transfer.

(b) So long as this Agreement shall remain in effect and a Public Offering of Preferred Stock shall not have occurred, with respect to any proposed Transfer by a Stockholder (in such capacity a "Transferring Stockholder") of Preferred Stock permitted hereunder other than as provided in Section 3.2 or 3.5, the Transferring Stockholder shall have the obligation, and each other Stockholder shall have the right, to require the proposed transferee to purchase from each Stockholder having and exercising such right (a "Tagging Stockholder") a number of shares of Preferred Stock up to the product (rounded up to the nearest whole number) of (i) the quotient determined by dividing the aggregate number of shares of Preferred Stock beneficially owned on a fully diluted basis by such Tagging Stockholder and sought by the Tagging Stockholder to be included in the contemplated Transfer by the aggregate number of shares of Preferred Stock beneficially owned on a fully diluted basis by the Transferring Stockholder, and all Tagging Stockholders and sought by the Transferring Stockholder and all Tagging Stockholders to be

included in the contemplated Transfer and (ii) the total number of shares of Preferred Stock proposed to be directly or indirectly Transferred to the transferee in the contemplated Transfer, and at the same price per share of Preferred Stock and upon the same terms and conditions (including without limitation time of payment and form of consideration) as to be paid and given to the Transferring Stockholder, provided that (i) if any Tagging Stockholder does not elect to participate for its full pro rata share, the balance of its share shall be allocated among the Transferring Stockholder and the Tagging Stockholders pro rata up to the amount each wishes to sell in the transaction,in order to be entitled to exercise its right to sell shares of Preferred Stock to the proposed transferee pursuant to this Section 3.4(b), a Tagging Stockholder must agree to make to the transferee the same representations, warranties, covenants, indemnities and agreements as the Transferring Stockholder agrees to make in connection with the proposed Transfer of the shares of Preferred Stock of the Transferring Stockholder (except that in the case of representations and warranties pertaining specifically to the Transferring Stockholder a Tagging Stockholder shall make the comparable representations and warranties pertaining specifically to itself) and provided further that all representations and warranties shall be made by the Tagging Stockholders severally and not jointly and that the liability of the Transferring Stockholder and the Tagging Stockholders (whether pursuant to a representation, warranty, covenant, indemnification provision or agreement) for liabilities in respect of Holdings shall be evidenced in writings executed by them and the transferee and shall be borne by each of them on a pro rata basis.

(c) The Transferring Stockholder, as the case may be, shall give notice to all relevant Stockholders of each proposed Transfer giving rise to the rights of the Tagging Stockholders set forth in the first sentence of Section 3.4(a) or 3.4(b), as the case may be, least 45 days prior to the proposed consummation of such Transfer, setting forth the name of the Transferring Stockholder, the number of shares of Common Stock or Preferred Stock, as the case may be, proposed to be so Transferred, the name and address of the proposed transferee, the proposed amount and form of consideration and other terms and conditions of payment offered by the proposed transferee, and a representation that the proposed transferee has been informed of the tag-along rights provided for in this Section 3.4 and has agreed to purchase shares of Common Stock or Preferred Stock, as the case may be, in accordance with the terms hereof. The tag-along rights provided by this Section 3.4 must be exercised by each Tagging Stockholder within 30 days following receipt of the notice required by the preceding sentence, by delivery of a written notice to the Transferring Stockholder indicating such Tagging Stockholder's desire to exercise its rights and specifying the number of shares of Common Stock or Preferred Stock, as the case may be, it desires to sell. The Transferring Stockholder shall be entitled under this Section 3.4 to Transfer to the proposed transferee the number of shares of Common Stock or Preferred Stock equal to the difference between the number referred to in clause (ii) of Section 3.4(a) or 3.4(b), as the case may be, and the aggregate number of shares of Common Stock or Preferred Stock, as the case may be, set forth in the written notices, if any, delivered by the Tagging Stockholders pursuant to the preceding sentence (up to the maximum number of shares of Common Stock or Preferred Stock, as the case may be, beneficially owned by such Tagging Stockholder required to be purchased by the proposed transferee pursuant to the first sentence of Section 3.4(a) or 3.4(b), as the case may be). If the proposed transferee fails to purchase shares of Common Stock or Preferred Stock, as the case may be, from any Tagging Stockholder that has properly exercised its tag-along rights, then the Transferring Stockholder shall not be permitted to make the proposed Transfer, and any such attempted Transfer shall be void and of no effect, as provided in Section 3.3 hereof.

(d) The requirements set forth in Section 3.4(a) or 3.4(b) shall not be applicable to any Transfer if such Transfer is made (i) from any Management Investor or its permitted Transferees to Holdings pursuant to stock purchase arrangements between such Management Investor and Holdings or (ii) to an employee or Independent Director of Holdings or any of its Subsidiaries; provided that any such Transfer shall be subject to the provisions of Section 3.4(a) and (b) to the extent that aggregate cumulative number of shares of Common Stock or Preferred Stock so Transferred by any Stockholder exceeds 10% of the number of shares of Common Stock or

Preferred Stock, as the case may be, held by such Stockholder on the date hereof after giving effect to the transactions in connection herewith on the Closing Date.

(e) If any of the Tagging Stockholders exercise their rights under Section 3.4(a), the closing of the purchase of the Common Stock with respect to which such rights have been exercised shall take place concurrently with the closing of the sale of the Transferring Stockholder's Common Stock. No Transfer shall occur pursuant to this Section 3.4 unless the transferee shall agree to become a party to, and be bound to the same extent as its transferor by the terms of, this Agreement pursuant to the provisions of Section 4.6.

3.5 Public Offerings, etc. The provisions of Sections 3.4 and 3.6 shall not be applicable to offers and sales of Securities in a Public Offering or, if such Securities previously have been sold in a Public Offering, pursuant to Rule 144 under the Securities Act.

3.6 Drag-Along Rights. (a) Subject to the provisions of 3.7, so long as this Agreement shall remain in effect and (i) Vestar and its Affiliates beneficially own on a fully diluted basis an aggregate number of shares of Common Stock not less than 50% of the number of shares of Common Stock beneficially owned on a fully diluted basis by Vestar on the date of its execution and delivery of this Agreement or (ii) the Vestar Relative Percentage is not less than 75%, if any of Vestar and its Affiliates receives an offer from a Third Party to purchase all, but not less than all, outstanding shares of Common Stock and such offer is accepted by Vestar, then each Stockholder hereby agrees that it will Transfer all Common Stock owned by it to such Third Party on the terms of the offer so accepted by Vestar; provided that (A) the terms of such offer applicable to any Common Stock owned by such Stockholder and its Permitted Transferees are no less favorable than the terms of such offer applicable to the Common Stock owned by Vestar and its Affiliates (including with respect to the amount and nature of consideration and time of receipt thereof), (B) Vestar and its Affiliates receive no benefits in connection with such transaction other than payment for their respective shares on the same basis as other Stockholders and (C) the number of shares owned by such Third Party after giving effect to such Transfer and all concurrent transactions would be sufficient under the Certificate of Incorporation, Bylaws, any applicable agreements and applicable law to permit such Third Party to eliminate all remaining minority interests through a merger opposed by such minority interests.

(b) Subject to the provisions of 3.7, so long as this Agreement shall remain in effect and (i) Vestar and its Affiliates beneficially own on a fully diluted basis an aggregate number of shares of Preferred Stock not less than 25% of the number of shares of Preferred Stock beneficially owned on a fully diluted basis by Vestar on the date of its execution and delivery of this Agreement and (ii) the Vestar Relative Percentage is not less than 25%, if any of Vestar and its Affiliates receives an offer from a Third Party to purchase all, but not less than all, outstanding shares of Preferred Stock and such offer is accepted by Vestar, then each Stockholder hereby agrees that it will Transfer all shares of Preferred Stock owned by it to such Third Party on the terms of the offer so accepted by Vestar; provided that (A) the terms of such offer applicable to any Preferred Stock owned by such Stockholder and its Permitted Transferees are no less favorable than the terms of such offer applicable to the Preferred Stock owned by Vestar and its Affiliates (including with respect to the amount and nature of consideration and time of receipt thereof), (B) Vestar and its Affiliates receive no benefits in connection with such transaction other than payment for their respective shares on the same basis as other Stockholders and (C) the number of shares owned by such Third Party after giving effect to such Transfer and all concurrent transactions would be sufficient under the Certificate of Incorporation, Bylaws, any applicable agreements and applicable law to permit such Third Party to eliminate all remaining minority interests through a merger opposed by such minority interests.

3.7 Rights of First Offer. If Vestar or any of its Affiliates (a "Selling Stockholder") intends to Transfer any Common Stock to a Third Party at any time in a transaction in which the

Drag-Along rights under Section 3.6(a) will be invoked, the Selling Stockholder shall give Cabot written notice thereof not less than 30 days prior to the earlier of contracting for or consummating such Transfer and, at the request of Cabot, shall discuss with Cabot the possibility of Cabot in lieu of a Third Party acquiring such Common Stock. Nothing in this Section 3.7 shall be deemed to obligate Cabot to purchase such Common Stock or such Selling Stockholder to sell such Common Stock, either to Cabot or a Third Party.

SECTION 4. REGISTRATION RIGHTS

4.1 Demand Registration.

(a) Common Stock Request. Upon the written request (a "Common Stock Request") of any of Vestar and its Affiliates, or, in the event that a period of one year or more has elapsed since the later of the first Public Offering and any other registered offering, if any, made pursuant to Section 4.1 or 4.2 involving Common Stock without Cabot or its Affiliates having an opportunity to participate in a registered offering of Common Stock pursuant to subsection 4.2, Cabot or its Affiliates (each, a "Requesting Common Stockholder"), that Holdings effect the registration under the Securities Act of all or part of the shares of Common Stock owned or to be acquired upon conversion, exercise or exchange of Common Stock Equivalents by such Requesting Common Stockholder, Holdings will use its best efforts to effect the registration under the Securities Act of such shares, provided, however, that Vestar may require that any such registration requested by Cabot or its Affiliates be delayed for a period not to exceed six months.

(b) Preferred Stock Request. Upon the written request (a "Preferred Stock Request") of any of Vestar and its Affiliates, or, in the event that a period of one year or more has elapsed since the later of the first Public Offering and any other registered offering, if any, made pursuant to Section 4.1 or 4.2 involving a Preferred Stock without Cabot or its Affiliates having an opportunity to participate in a registered offering of Preferred Stock pursuant to subsection 4.2, Cabot or its Affiliates (each a "Requesting Preferred Stockholder"), at any time after the Closing Date, that Holdings effect the registration under the Securities Act of all or part of the shares of Preferred Stock owned by such Requesting Preferred Stockholder, Holdings will use its best efforts to effect the registration under the Securities Act of such shares, provided, however, that Vestar may require that a registration requested by Cabot or its Affiliates be delayed for a period not to exceed six months.

(c) Registration Statement Form. Registrations under this Section 4.1 shall be on such appropriate registration form of the SEC (i) as shall be selected by Holdings and (ii) as shall permit the disposition of the Common Stock or preferred stock being registered in accordance with the intended method or methods of disposition specified in the request for such registration. Holdings agrees to include in any such registration statement all information which, in the opinion of counsel to the underwriters, the Requesting Common Stockholder or the Requesting Preferred Stockholder (collectively, a "Requesting Stockholder") and Holdings, is required to be included.

(d) Effective Registration Statement. A registration requested pursuant to this Section 4.1 shall not be deemed to have been effected (i) unless a registration statement with respect thereto has become effective, or (ii) if after it has become effective, such registration is interfered with by any stop order, injunction or other order or requirement of the SEC or other Governmental Authority for any reason not attributable to the Requesting Stockholder or any of its Affiliates and has not thereafter become effective.

(e) Limitations on Registration on Request. Notwithstanding anything in this Section 4.1 to the contrary, in no event will (i) Holdings be required to effect more than one

registration pursuant to each of Section 4.1(a) and Section 4.1(b) within any 360 day period, (ii) Vestar and its Affiliates, on the one hand, or Cabot and its Affiliates, on the other hand, be entitled to more than two registrations in the aggregate pursuant to each of Section 4.1(a) and Section 4.1(b), unless such Requesting Stockholder agrees to pay all of the costs and expenses of each such additional registration (unless either (x) a registration so requested is not effected for a reason not attributable to the Requesting Stockholder or any of its Affiliates or (y) the number of shares of Common Stock or Preferred Stock sought to be included by such Requesting Stockholder in such registration is reduced by more than 25% pursuant to the provisions of Section 4.2(b)).

4.2 Incidental Registration.

(a) Right to Include Common Stock and Common Stock Equivalents. If Holdings at any time proposes to register any shares of Common Stock (or Common Stock Equivalents, including any registration of Common Stock Equivalents pursuant to the exercise of rights under Section 4.2(b)) under the Securities Act (except registrations on such form(s) solely for registration of Common Stock or Common Stock Equivalents in connection with any employee benefit plan or dividend reinvestment plan or a merger or consolidation), including registrations pursuant to Section 4.1(a), whether or not for sale for its own account, it will each such time as soon as practicable give written notice of its intention to do so to all the Stockholders. Upon the written request (which request shall specify the total number of shares of Common Stock or Common Stock Equivalents intended to be disposed of by such Stockholder) of any Stockholder made within 30 days after the receipt of any such notice (15 days if Holdings gives telephonic notice with written confirmation to follow promptly thereafter, stating that (i) such registration will be on Form S-3 and (ii) such shorter period of time is required because of a planned filing date), Holdings will use all reasonable efforts to effect the registration under the Securities Act of all Common Stock held or to be acquired upon conversion, exercise or exchange of Common Stock Equivalents (or, if Common Stock Equivalents are proposed to be registered by Holdings, Common Stock Equivalents) by the Stockholders which Holdings has been so requested to register for sale in the manner initially proposed by Holdings; provided that Holdings shall not be obliged to register any Common Stock Equivalents which are not of the same class, series and form as the Common Stock Equivalents proposed to be registered by Holdings. If Holdings thereafter determines for any reason not to register or to delay registration of the Common Stock or Common Stock Equivalents (provided, however, that in the case of any registration pursuant to Section 4.1(a), such determination shall not violate any of Holdings' obligations under Section 4.1 or any other provision of this Agreement), Holdings may, at its election, give written notice of such determination to the Stockholders and (i) in the case of a determination not to register, shall be relieved of the obligation to register such Common Stock or Common Stock Equivalents in connection with such registration, without prejudice, however, to any right the Stockholder requesting such registration pursuant hereto may have to request that such registration be effected as a registration under Section 4.1(a) and (ii) in the case of a determination to delay registering, shall be permitted to delay registering any Common Stock or Common Stock Equivalents of a Stockholder for the same period as the delay in registration of such other securities. No registration effected under this Section 4.2(a) shall relieve Holdings of any obligation to effect a registration upon a Common Stock Request under Section 4.1(a).

(b) Right to Include Preferred Stock. If Holdings at any time proposes to effect a registration of the Preferred Stock pursuant to Section 4.1(b) or otherwise, it will each such time as soon as practicable give written notice of its intention to do so to all the Stockholders which own Preferred Stock. Upon the written request (which request shall specify the total number of shares of such preferred stock intended to be disposed of by such Stockholders) of any such Stockholder made within 30 days after the receipt of any such notice (15 days if Holdings gives telephonic notice with written confirmation to follow promptly thereafter, stating that (i) such registration will be on Form S-3 and (ii) such shorter period of time is required because of a planned filing date), Holdings will use all reasonable efforts to effect the registration under the Securities Act of

all Preferred Stock, which Holdings has been so requested to register for sale. If Holdings thereafter determines for any reason not to register or to delay registration of the Preferred Stock (provided such determination shall not violate any of Holdings' obligations under Section 4.1 or any other provision of this Agreement), Holdings may, at its election, give written notice of such determination to the preferred Stockholders and (i) in the case of a determination not to register, shall be relieved of the obligation to register any preferred stock hereunder and (ii) in the case of a determination to delay registering, shall be permitted to delay registering any preferred stock of a preferred Stockholder for the same period as the delay in registration of such other securities. No registration effected under this Section 4.2(b) shall relieve Holdings of any obligation to effect a registration upon a Preferred Stock Request under Section 4.1(b).

(c) Priority in Incidental Registration. In a registration pursuant to this Section 4.2, if the managing underwriter of such underwritten offering shall inform Holdings and the relevant Stockholders by letter of its belief that the number of shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, to be included in such registration would adversely affect its ability to effect such offering, then Holdings will be required to include in such registration only that number of shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, which it is so advised should be included in such offering. Shares of Common Stock or Common Stock Equivalents proposed by Holdings to be registered for issuance by Holdings shall have the first priority in a registration pursuant to Section 4.2(a) and all other shares of Common Stock or Common Stock Equivalents to be registered (whether or not requested to be registered pursuant to Section 4.1(a) or 4.2(a) or otherwise) shall be given second priority without preference among the relevant holders. All shares of preferred stock to be registered in a registration pursuant to Section 4.2(b) (whether or not requested to be registered pursuant to Section 4.1(b) or 4.2(b)) shall have the same priority. If less than all of a Stockholder's shares of Common Stock or Common Stock Equivalents are to be registered, such Stockholder's shares of Common Stock or Common Stock Equivalents shall be included in the registration pro rata based on the total number of shares of Common Stock or Common Stock Equivalents sought to be registered by each Stockholder (as opposed to Holdings). If less than all of a Stockholder's shares of preferred stock are to be registered, such Stockholder's shares of preferred stock shall be included in the registration pro rata based on the aggregate liquidation preference of the total number of shares of preferred stock sought to be registered by each Stockholder.

(d) Custody Agreement and Power of Attorney. Upon delivering a request under this Section 4.2, a Stockholder (excluding Vestar, Cabot and any qualified institutional buyer within the meaning of Rule 144A under the Securities Act) will, if requested by Holdings, execute and deliver a custody agreement and power of attorney in form and substance reasonably satisfactory to Holdings and one of the director designees referred to in Section 2.1(a)(iv) with respect to such Stockholder's shares of Common Stock or Common Stock Equivalents or preferred stock to be registered pursuant to this Section 4.2 (a "Custody Agreement and Power of Attorney"). The Custody Agreement and Power of Attorney will provide, among other things, that the Stockholder will deliver to and deposit in custody with the custodian and attorney-in-fact named therein a certificate or certificates representing such shares of Common Stock or Common Stock Equivalents or preferred stock (duly endorsed in blank by the registered owner or owners thereof or accompanied by duly executed stock powers in blank) and irrevocably appoint said custodian and attorney-in-fact as such Stockholder's agent and attorney-in-fact with full power and authority to act under the Custody Agreement and Power of Attorney on such Stockholder's behalf with respect to the matters specified therein. Such Stockholder also agrees to execute such other agreements as Holdings may reasonably request to further evidence the provisions of this Section 4.2.

4.3 Registration Procedures. In connection with Holdings' obligations pursuant to Sections 4.1 and 4.2 hereof, Holdings will use all reasonable efforts to effect such registration and Holdings will promptly:

(a) prepare and file with the SEC as soon as practicable after request for registration hereunder the requisite registration statement to effect such registration and use all reasonable efforts to cause such registration statement to become effective and to remain continuously effective until the earlier to occur of (x) 180 days following the date on which such registration statement is declared effective or (y) the termination of the offering being made thereunder.

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective and to comply with the provisions of the Securities Act with respect to the disposition of all shares of Common Stock and Common Stock Equivalents or preferred stock, as the case may be, covered by such registration statement until such Common Stock and Common Stock Equivalents or preferred stock, as the case may be, has been sold or such lesser period of time as Holdings, any seller of such Common Stock and Common Stock Equivalents or preferred stock, as the case may be, or any underwriter is required under the Securities Act to deliver a prospectus in accordance with the intended methods of disposition by the sellers of such Common Stock and Common Stock Equivalents or preferred stock, as the case may be, set forth in such registration statement or supplement to such prospectus;

(c) furnish to each Stockholder which owns shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, covered by such registration statement (the "Selling Stockholders") and the managing underwriter, if any, at least one executed original of the registration statement and such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, as may reasonably be requested by such Selling Stockholder;

(d) use all reasonable efforts (i) to register or qualify all shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, covered by such registration statement under the securities or "blue sky" laws of such jurisdictions where an exemption is not available as the Selling Stockholders shall reasonably request, (ii) to keep such registration or qualification in effect for so long as such registration statement remains in effect and (iii) to take any other action which may be reasonably necessary or advisable to enable the Selling Stockholders to consummate the disposition in such jurisdictions of such Common Stock and Common Stock Equivalents or preferred stock, as the case may be, provided that Holdings will not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject itself to taxation in any such jurisdiction or take any action which would subject it to general service of process in any such jurisdiction;

(e) notify the Selling Stockholders and the managing underwriter, if any, promptly, and confirm such advice in writing (i) when a prospectus or any prospectus supplement or post-effective amendment has been filed, and, with respect to a registration statement or any post-effective amendment, when the same has become effective, (ii) of any request by the SEC for amendments or supplements to a registration statement or related prospectus or for additional information, (iii) of the issuance by the SEC of any stop order suspending the effectiveness of a registration statement or the initiation of any proceedings for that purpose, (iv) of the receipt by Holdings of any notification with respect to the suspension of the qualification of any of the registered securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, (v) of the happening of any event or information becoming known which requires the making of any changes in a registration statement or related prospectus so that such documents will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and

(vi) of Holdings' reasonable determination that a post-effective amendment to a registration statement would be appropriate;

(f) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of a registration statement, or the lifting of any suspension of the qualification of any of the registered securities for sale in any jurisdiction, at the earliest possible moment;

(g) upon the occurrence of any event contemplated by clause (e)(v) above, prepare a supplement or post-effective amendment to the applicable registration statement or related prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the securities being sold thereunder, such prospectus will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading;

(h) use its best efforts to furnish to the Selling Stockholders a signed counterpart, addressed to the Selling Stockholders and the underwriters, if any, of (A) an opinion of counsel for Holdings, and (B) a "comfort" letter, signed by the independent public accountants who have certified Holdings' financial statements included or incorporated by reference in such registration statement, covering substantially the same matters with respect to such registration statement (and the prospectus included therein) and, in the case of the accountant's letter, with respect to events subsequent to the date of such financial statements, as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to underwriters in underwritten public offerings of securities (and dated the dates such opinions and comfort letters are customarily dated) and, in the case of the accountant's letter, such other financial matters, and in the case of the legal opinion, such other legal matters, as the Selling Stockholders or the underwriters may reasonably request;

(i) otherwise use its best efforts to comply with all applicable rules and regulations of the SEC, and make available to the Stockholders an earnings statement satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 promulgated thereunder, no later than 90 days after the end of any 12-month period beginning after the effective date of a registration statement pursuant to which shares of Common Stock and Common Stock Equivalents or preferred stock, as the case may be, are sold, which statement shall cover such 12-month period;

(j) cooperate with the Selling Stockholders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing shares of Common Stock and Common Stock Equivalents or preferred stock, as the case may be, to be sold; and enable such shares of Common Stock and Common Stock Equivalents or preferred stock, as the case may be, to be in such denominations and registered in such names as the Selling Stockholders or the managing underwriters, if any, may request at least two Business Days prior to any sale of shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, to the underwriters;

(k) use its best efforts to cause the shares of Common Stock and Common Stock Equivalents or preferred stock, as the case may be, covered by the applicable registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the Selling Stockholder(s) or the underwriters, if any, to consummate the disposition of such shares of Common Stock and Common Stock Equivalents or preferred stock, as the case may be;

(l) cause all shares or units of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, covered by the registration statement to be listed on each securities exchange, if any, on which securities of such class, series and form issued by Holdings, if any, are then listed if requested by the managing underwriters, if any, or the holders of a majority

of the shares or units of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, covered by the registration statement and entitled hereunder to be so listed;

(m) cooperate and assist in any filings required to be made with the National Association of Securities Dealers, Inc. (the "NASD") and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter" that is required to be retained in accordance with the rules and regulations of the NASD); and

(n) as soon as practicable prior to the filing of any document which is to be incorporated by reference into the registration statement or the prospectus (after initial filing of the registration statement) provide copies of such document to counsel to the Selling Stockholders and to the managing underwriters, if any, and make Holdings' representatives available for discussion of such document and consider in good faith making such changes in such document prior to the filing thereof as counsel for such Selling Stockholders or underwriters may reasonably request.

Holdings may require each Selling Stockholder to furnish to Holdings such information regarding such Selling Stockholder and the distribution of such securities as Holdings may from time to time reasonably request in writing in order to comply with the Securities Act.

The Selling Stockholders agree that, upon receipt of any notice from Holdings of the happening of any event of the kind described in Section 4.3(e)(ii), (iii), (iv), (v) or (vi) hereof, they will forthwith discontinue disposition pursuant to such registration statement of any shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, covered by such registration statement or prospectus until their receipt of the copies of the supplemented or amended prospectus relating to such registration statement or prospectus or until they are advised in writing by Holdings that the use of the applicable prospectus may be resumed (and the period of such discontinuance shall be excluded from the calculation of the period specified in clause (x) of Section 4.3(a)) and, if so directed by Holdings, will deliver to Holdings (at Holdings' expense, except as otherwise provided in Section 4.1(d)) all copies, other than permanent file copies then in their possession, of the prospectus covering such securities in effect at the time of receipt of such notice. The Selling Stockholders agree to furnish Holdings a signed counterpart, addressed to Holdings and the underwriters, if any, of an opinion of counsel for the Selling Stockholders covering substantially the same matters with respect to such registration statement (and the prospectus included therein) as are customarily covered in opinions of selling stockholder's counsel delivered to the underwriters in underwritten public offerings of securities (and dated the dates such opinions are customarily dated) and such other legal matters as Holdings or the underwriters may reasonably request.

4.4 Underwritten Offerings.

(a) Demand Underwritten Offerings. In any underwritten offering pursuant to a registration requested under Section 4.1, Holdings will use its best efforts to enter into an underwriting agreement for such offering with the underwriters selected by the Requesting Stockholder, such agreement and underwriters to be reasonably satisfactory in form and substance to Holdings, the Requesting Stockholder and the underwriters and to contain such representations and warranties by Holdings and such other terms as are generally prevailing in agreements of that type. The Selling Stockholders who hold shares of Common Stock or preferred stock, as the case may be, to be distributed by such underwriters shall be parties to such underwriting agreement and may, at their option, require that any or all of the representations and warranties by, and the other agreements on the part of, Holdings to and for the benefit of such underwriters shall also be made to and for the benefit of them and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to their obligations. Holdings may, at its option, require that any or all of the representations and

warranties by, and the other agreements on the part of the Selling Stockholders to and for the benefit of such underwriters shall also be made to and for the benefit of Holdings with due regard to the amount of Securities being sold by such Selling Stockholder and the nature of such representations, warranties and agreements and the underwriting.

(b) Incidental Underwritten Offerings. If Holdings at any time proposes to register any shares of its Common Stock or Common Stock Equivalents or preferred stock, as the case may be, under the Securities Act as contemplated by Section 4.2 and such Securities are to be distributed by or through one or more underwriters, Holdings and the Selling Stockholders who hold shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, to be distributed by such underwriters in accordance with Section 4.2 hereof shall be parties to the underwriting agreement between Holdings and such underwriters and may, at their option, require that any or all of the representations and warranties by, and the other agreements on the part of, Holdings to and for the benefit of such underwriters shall also be made to and for the benefit of them and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to their obligations. Holdings may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of the Selling Stockholders to and for the benefit of such underwriters shall also be made to and for the benefit of Holdings with due regard to the amount of Securities being sold by such Selling Stockholder and the nature of such representations, warranties and agreements and the underwriting.

4.5 Preparation; Reasonable Investigation. In connection with the preparation and filing of each registration statement under the Securities Act pursuant to this Agreement, Holdings will give the Selling Stockholders, the underwriters and their respective counsels and accountants the opportunity (but such Persons shall not have the obligation) to participate in the preparation of such registration statement, each prospectus included therein or filed with the SEC, and, to the extent practicable, each amendment thereof or supplement thereto, and will give each of them such access to its books and records (to the extent customarily given to the underwriters of Holdings' securities), and such opportunities to discuss the business of Holdings with its officers and the independent public accountants who have certified its financial statements as shall be necessary, in the opinion of the Selling Stockholders' and the underwriters' respective outside counsel, to conduct a reasonable investigation within the meaning of the Securities Act.

4.6 Limitations, Conditions and Qualifications to Obligations under Registration Covenants. The obligations of Holdings to use its reasonable efforts to cause shares of Common Stock and Common Stock Equivalents or preferred stock, as the case may be, to be registered under the Securities Act are subject to each of the following limitations, conditions and qualifications:

(a) Holdings shall be entitled to postpone for a reasonable period of time the filing or effectiveness of, or suspend the rights of Selling Stockholders to make sales pursuant to, any registration statement otherwise required to be prepared, filed and made and kept effective by it hereunder (but the duration of such postponement or suspension may not exceed the earlier to occur of (w) 15 days after the cessation of the circumstances described in clauses (i) and (ii) below or (x) 120 days after the date of the determination of the Board of Directors referred to below, and the duration of such postponement or suspension shall be excluded from the calculation of the period specified in clause (x) of Section 4.3(a)) if the Board of Directors of Holdings determines in good faith that (i) there is a material undisclosed development in the business or affairs of Holdings (including any pending or proposed financing, recapitalization, acquisition or disposition), the disclosure of which at such time could be adverse to Holdings' interests or (ii) Holdings has filed a registration statement with the SEC, such registration statement has not yet been declared effective, Holdings is using its best efforts to have such registration statement declared effective, and the underwriters with respect to such registration advise that such registration would be

adversely affected. If Holdings shall so delay the filing of a registration statement, it shall, as promptly as possible, notify the Selling Stockholders of such determination, and the Selling Stockholders shall have the right (y) in the case of a postponement of the filing or effectiveness of a registration statement, to withdraw the request for registration by giving written notice to Holdings within 10 days after receipt of Holdings' notice or (z) in the case of a suspension of the right to make sales, to receive an extension of the registration period equal to the number of days of the suspension.

(b) Holdings shall not be required hereby to include shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, in a registration statement if, in the written opinion of outside counsel to Holdings of recognized standing in securities law matters, the beneficial owners of such Common Stock or Common Stock Equivalents or preferred stock, as the case may be, seeking registration would be free to sell all of such shares of Common Stock or Common Stock Equivalents or preferred stock, as the case may be, within the current calendar quarter without registration under Rule 144 under the Securities Act.

(c) Holdings' obligations shall be subject to the obligations of the Selling Stockholders, which the Selling Stockholders acknowledge, to furnish all information and materials and to take any and all actions as may be required under applicable federal and state securities laws and regulations to permit Holdings to comply with all applicable requirements of the SEC and to obtain any acceleration of the effective date of such registration statement.

(d) Holdings shall not be obligated to cause any special audit to be undertaken in connection with any registration pursuant hereto unless such audit is requested by the underwriters with respect to such registration.

4.7 Expenses. Except as otherwise provided in Section 4.1(e), Holdings will pay all reasonable out-of-pocket costs and expenses incurred in connection with each registration of Common Stock, Common Stock Equivalents or preferred stock, as the case may be, pursuant to this Agreement, including, without limitation, the reasonable fees and disbursements of a single firm of outside counsel retained by Selling Stockholders which beneficially own a majority of the total number of shares or units of Common Stock, Common Stock Equivalents or preferred stock, as the case may be, being registered by Selling Stockholders (the "Majority Selling Stockholders"), and any and all filing fees payable to the SEC, fees with respect to filings required to be made with stock exchanges, the NASDAQ and the NASD, fees and expenses of compliance with state securities or blue sky laws (including reasonable fees and disbursements of a single firm of outside counsel for the underwriters or the Majority Selling Stockholders in connection with blue sky qualifications of the Common Stock, Common Stock Equivalents or preferred stock, as the case may be, being registered and determination of its eligibility for investment under the laws of such jurisdictions as the Selling Stockholders may designate), printing expenses, fees and disbursements of counsel and accountants of Holdings, including costs associated with comfort letters, and fees and expenses of other Persons retained by Holdings, but excluding underwriters' expenses (including discounts, commissions or fees of underwriters and expenses included therein, selling brokers, dealer managers or similar securities industry professionals relating to the distribution of the securities being registered or legal expenses of any Person other than Holdings and the Selling Stockholders) but including the fees and expenses of any qualified independent underwriter required to participate in such registration pursuant to applicable law or the requirements of the NASD. Holdings shall, in any event in all cases, pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), and the expense of securities law liability insurance and rating agency fees, if any.

4.8 Indemnification.

(a) Indemnification by Holdings. In connection with any registration pursuant hereto in which shares of Common Stock, Common Stock Equivalents or preferred stock, as the case may be, are to be disposed of, Holdings shall indemnify and hold harmless, to the full extent permitted by law, each holder of such Common Stock, Common Stock Equivalents or preferred stock, as the case may be, to be disposed of and, when applicable, its officers, directors, agents and employees and each Person who controls such holder (within the meaning of the Securities Act or the Exchange Act) against all losses, claims, damages, liabilities and expenses caused by any untrue or alleged untrue statement of a material fact contained in any registration statement, prospectus or preliminary prospectus or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, including, without limitation, any loss, claim, damage, liability or expense resulting from the failure to keep a prospectus current, except insofar as the same (i) are caused by or contained in any information relating to such holder furnished in writing to Holdings by such holder expressly for use therein or (ii) are caused by such holder's failure to deliver a copy of the current prospectus simultaneously with or prior to such sale after Holdings has furnished such holder with a sufficient number of copies of such prospectus correcting such material misstatement or omission or (iii) arise in respect of any offers to sell or sales made during any period when a holder is required to discontinue sales under Section 4.3(e) (and after such holder has received the notice contemplated by Section 4.3(e)). Holdings shall also indemnify underwriters, selling brokers, dealer managers and similar securities industry professionals participating in the distribution, their officers and directors and each person who controls such Persons (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the holders of such Common Stock, Common Stock Equivalents or preferred stock, as the case may be, to be disposed of, and shall enter into an indemnification agreement with such Persons containing such terms, if requested.

(b) Indemnification by Stockholders. In connection with each registration statement effected pursuant hereto in which shares of Common Stock, Common Stock Equivalents or preferred stock, as the case may be, are to be disposed of, each Selling Stockholder shall, severally but not jointly, indemnify and hold harmless, to the full extent permitted by law, Holdings, each other Selling Stockholder and their respective directors, officers, agents and employees and each Person who controls Holdings and each other Selling Stockholder (within the meaning of the Securities Act or the Exchange Act) against any losses, claims, damages, liabilities and expenses resulting from any untrue statement of a material fact or any omission of a material fact required to be stated in such registration statement or prospectus or preliminary prospectus or necessary to make the statements therein not misleading, to the extent, but only to the extent, that such untrue statement or omission relates to such Selling Stockholder and is contained in any information furnished in writing by such Selling Stockholder or any of its Affiliates to Holdings expressly for inclusion in such registration statement or prospectus. In no event shall the liability of any Selling Stockholder hereunder be greater in amount than the dollar amount of the proceeds actually received by such Selling Stockholder upon the sale of the securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. Any Person entitled to indemnification hereunder shall give prompt notice to the indemnifying party of any claim with respect to which it shall seek indemnification and shall permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided, however, that any Person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (i) the indemnifying party shall have agreed to pay such fees or expenses, or (ii) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such Person or (iii) in the opinion of outside counsel to such Person there may be one or more legal defenses available to such Person which are different from or in addition to those available to the indemnifying party with respect to

such claims (in which case, if the Person notifies the indemnifying party in writing that such Person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such Person). If such defense is not assumed by the indemnifying party, the indemnifying party shall not be subject to any liability for any settlement made without its consent (but such consent shall not be unreasonably withheld). No indemnified party shall be required to consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a written release in form and substance reasonably satisfactory to such indemnified party from all liability in respect of such claim or litigation. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one firm of counsel (and, if necessary, local counsel) for all parties indemnified by such indemnifying party with respect to such claim, unless in the written opinion of outside counsel to an indemnified party a conflict of interest as to the subject matter exists between such indemnified party and another indemnified party with respect to such claim, in which event the indemnifying party shall be obligated to pay the fees and expenses of additional counsel for such indemnified party.

(d) Contribution. If for any reason the indemnification provided for herein is unavailable to an indemnified party or is insufficient to hold it harmless as contemplated hereby, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the indemnified party and the indemnifying party, but also the relative fault of the indemnified party and the indemnifying party, as well as any other relevant equitable considerations, provided that in no event shall the liability of any Selling Stockholder for such contribution and indemnification exceed, in the aggregate, the dollar amount of the proceeds received by such Selling Stockholder upon the sale of securities giving rise to such indemnification and contribution obligation.

4.9 Participation in Underwritten Registrations. No Stockholder may participate in any underwritten registration hereunder unless such Stockholder (a) agrees to sell its shares of Common Stock, Common Stock Equivalents or preferred stock, as the case may be, on the basis provided in and in compliance with any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and to comply with Rules 10b-6 and 10b-7 under the Exchange Act, and (b) completes and executes all questionnaires, appropriate and limited powers of attorney, escrow agreements, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements; provided that all such documents shall be consistent with the provisions hereof.

4.10 Rule 144. Holdings hereby covenants that after it has filed (and such registration statement has become effective) a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act in respect of Common Stock, Holdings will file in a timely manner all reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if Holdings is not required to file such reports, it will, upon the request of any Stockholder, make publicly available other information so long as necessary to permit sales by such Stockholder under Rule 144 under the Securities Act) and will take such further action as any Stockholder may reasonably request to the extent required from time to time to enable such Stockholder to sell shares of Common Stock under Rule 144 under the Securities Act.

4.11 Holdback Agreements.

(a) Each Stockholder agrees that it shall not effect any public sale or distribution of shares of Common Stock, Common Stock Equivalents or preferred stock, as the case may be,

during the 30 days prior to or the 180 day period beginning on the effective date of a registration statement covering a primary or secondary underwritten public offering of Common Stock (except as part of a registration) if and to the extent reasonably requested in writing (with reasonable prior notice) by the managing underwriter of the underwritten public offering.

(b) Holdings agrees not to effect any primary public sale or distribution of any Common Stock, Common Stock Equivalents or preferred stock, as the case may be, during the 30 days prior to and the 180 day period beginning on the effective date of any underwritten public offering in which any Stockholder is participating (except as part of such registration or as part of a pre-existing employee benefit plan or dividend reinvestment or stock purchase plan) if and to the extent reasonably requested in writing (with reasonable prior notice) by the managing underwriter of the underwritten public offering.

SECTION 5. MISCELLANEOUS

5.1 Additional Securities Subject to Agreement. Each Stockholder agrees that any other securities of Holdings which it shall hereafter acquire by means of a stock split, stock dividend, distribution or otherwise (other than pursuant to a Public Offering) shall be subject to the provisions of this Agreement to the same extent as if held on the date hereof.

5.2 Termination. This Agreement shall terminate, and thereby become null and void, (i) as to any particular securities of Holdings, on the date on which they are sold in a Public Offering or are sold pursuant to Rule 144 under the Securities Act (unless such securities of Holdings are reacquired by a Stockholder), (ii) the rights and obligations of Vestar under this Agreement shall terminate upon the earliest date on which Vestar and its Affiliates do not own any Common Stock, Common Stock Equivalents or Preferred Stock and (iii) the rights and obligations of Cabot under this Agreement shall terminate upon the earliest date on which Vestar and its Affiliates do not own any Common Stock, Common Stock Equivalents or Preferred Stock.

5.3 Injunctive Relief. The Stockholders acknowledge and agree that a violation of any of the terms of this Agreement will cause the Stockholders irreparable injury for which adequate remedy at law is not available. Accordingly, it is agreed that each Stockholder shall be entitled to an injunction, restraining order or other equitable relief to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction in the United States or any state thereof, in addition to any other remedy to which they may be entitled at law or equity.

5.4 Other Stockholders' Agreements. None of the Stockholders shall enter into any stockholder agreement or other arrangement of any kind with any Person with respect to securities of Holdings which is inconsistent with the provisions of this Agreement or which may impair its ability to comply with this Agreement.

5.5 Amendments. This Agreement may be amended only by a written instrument signed by Vestar (so long as Vestar or any of its Affiliates is a Stockholder), Cabot (so long as Cabot or any of its Affiliates is a Stockholder) and sufficient additional Stockholders such that Vestar, Cabot and such Stockholders own on a fully diluted basis Securities representing at least a majority of the common voting power represented by all Securities outstanding on a fully diluted basis and owned by all Stockholders; provided, however, that if any amendment is not unanimously approved by all affected Stockholders, any changes set forth in such amendment must apply in the same manner to all Stockholders; and provided further that notwithstanding the foregoing this Agreement shall not be amended in a manner that adversely affects the Management Investors and their Permitted Transferees without the prior written consent of holders of a majority of the Common Stock then beneficially owned by the Management Investors on a fully diluted basis.

5.6 Successors, Assigns and Transferees. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their Permitted Transferees and their respective successors, each of which Permitted Transferees shall agree in a writing in form and substance satisfactory to Holdings and the owners on a fully diluted basis of Securities representing at least a majority of the common voting power represented by all Securities outstanding on a fully diluted basis and owned by all Stockholders, to become a party hereto and be bound to the same extent as its transferor hereby, provided that no Stockholder may assign to any Permitted Transferee any of its rights hereunder other than in connection with a Transfer to such Permitted Transferee of Securities in accordance with the provisions of this Agreement.

5.7 Notices. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or when delivered by a recognized courier or, in the case of telecopy notice, when received, addressed as follows to the parties hereto, or to such other address as may be hereafter notified by the respective parties hereto:

if to Vestar, to:

Vestar Equity Partners, L.P.
245 Park Avenue
New York, New York 10167
Attention: Norman W. Alpert
Telecopy: (212) 808-4922

if to Cabot, to:

Cabot CSC Corporation
75 State Street
Boston, MA 02109-1806
Attention: General Counsel
Telecopy: (617) 342-6103

if to Holdings, to:

Cabot Safety Holdings Corporation
One Washington Mall - 8th Floor
Boston MA 02108-2610
Attention: General Counsel
Telecopy: (617) 371-4233

with a copy to Cabot and Vestar

if to a Management Investor, to him
at his address or telecopy number set
forth in the books and records of Holdings.

5.8 Transactions with Affiliates. (a) Except for transactions contemplated by this Agreement, Holdings will not, nor will it permit any of its Subsidiaries to, directly or indirectly,

enter into any material transactions, including without limitation the purchase, sale, or exchange of property or the rendering of any services with any Affiliate of Holdings, other than Persons who are Affiliates of Holdings solely as a result of being employees of Holdings or any of its Subsidiaries, except (a) transactions that are upon fair and reasonable terms no less favorable to Holdings or such Subsidiary than it could obtain in a comparable arm's-length transaction with a Person that is not an Affiliate of Holdings; (b) transactions specifically provided for in this Agreement, the Asset Transfer Agreement or the Management Advisory Agreement or (c) the payment of reasonable and customary regular fees to outside directors of Holdings.

(b) In no event will Holdings issue Common Stock or other equity securities to Vestar or Cabot or any Affiliate of Holdings (other than employees who may be deemed Affiliates), below the Fair Market Value of such shares of Common Stock or equity securities. For the purposes of this subsection 5.8, "Fair Market Value" of such Common Stock or other equity securities shall mean the fair market value of such Common Stock or other equity securities as shall be agreed to or determined by the Board of Directors of Holdings, provided that if Cabot or Vestar are unable to agree upon the fair market value of such securities within 7 days of the date or such determination, Cabot and Vestar shall each submit its statement of the fair market value of such securities to a nationally recognized investment banking firm jointly engaged by Vestar and Cabot and such firm shall within 14 days thereafter determine which of the two statements of fair market value is closer the fair market value of such securities as determined by such firm, and such closer fair market value shall be the Fair Market Value; provided that if within two Business Days of the date such determination is requested pursuant to the terms of this Agreement, the relevant parties are unable to agree on an investment banking firm, the parties shall engage Endispute, Inc. to select an appropriate investment banking firm.

(c) If, following the Closing and prior to the first Public Offering, Holdings proposes to issue any equity securities or securities exercisable for or convertible into equity securities, of Holdings to Vestar, Cabot or any of their respective Affiliates, each Stockholder shall have the opportunity to purchase such securities on a pro rata basis. Holdings shall give each such Stockholder at least 30 days' prior written notice of any such proposed issuance setting forth in reasonable detail the proposed terms and conditions thereof, including the identity of any known proposed recipient (the "Issuance Notice"), and shall offer to each such Stockholder the opportunity to purchase such securities at the same price, on the same terms, and at the same time as such securities are proposed to be issued by Holdings; provided that in the case of any proposed issuance of Common Stock for non-cash consideration, each such Stockholder shall be permitted to purchase the securities proposed to be issued for cash in an amount equal to the value of such non-cash consideration, as determined in good faith by the Board. Each such Stockholder may exercise its purchase right by delivery of a written notice to Holdings within 10 days after delivery of an Issuance Notice, which exercise shall be irrevocable.

5.9 Covenants of Holdings. Holdings shall not, and shall not permit its subsidiary Cabot Safety Corporation ("CSC") to, without the prior written consent Cabot and Vestar, (a) during the period of nine months following the Closing Date, terminate or materially change the duties or responsibilities of any of the members of CSC's senior management listed on Schedule 1 hereto or (b) engage as the primary independent auditor for CSC any accounting firm other than Arthur Anderson & Co.

5.10 Integration. This Agreement and the documents referred to herein or delivered pursuant hereto, including the Stock Subscription Agreements, contain the entire understanding of the parties with respect to the subject matter hereof and thereof. There are no agreements, representations, warranties, covenants or undertakings with respect to the subject matter hereof and thereof other than those expressly set forth herein and therein. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

5.11 Severability. If one or more of the provisions, paragraphs, words, clauses, phrases or sentences contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision, paragraph, word, clause, phrase or sentence in every other respect and of the remaining provisions, paragraphs, words, clauses, phrases or sentences hereof shall not be in any way impaired, it being intended that all rights, powers and privileges of the parties hereto shall be enforceable to the fullest extent permitted by law.

5.12 Counterparts. This Agreement may be executed in two or more counterparts, and by different parties on separate counterparts each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

5.13 Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York without regard to the conflicts of law principles thereof, except for matters directly within the purview of the General Corporation Law of the State of Delaware (the "DGCL"), which shall be governed by the DGCL.

5.14 Additional Management Investors. Each person who becomes party to a management common stock subscription agreement or option agreement after the date hereof shall become a party hereto and shall be bound hereby. Holdings shall not issue any securities to an employee or director of Holdings or any of its Subsidiaries unless he or she enters into a supplementary agreement with Holdings agreeing to be bound by the terms hereof in the same manner as the other Management Investors. Each such supplementary agreement shall become effective upon its execution by Holdings and the additional Management Investor, and it shall not require the signature or consent of any other party hereto. Such supplementary agreement may modify some of the terms hereof as they effect the additional Management Investor; provided that the modified terms shall be no more favorable to the other parties hereto than the terms set forth herein.

5.15 Information; Committees. Holdings shall deliver to Cabot such annual and quarterly financial statements of Holdings and its consolidated subsidiaries (or of its subsidiary Cabot Safety Corporation, if separate such financial statements are not prepared for Holdings) as soon as practicable after they become available, and shall afford reasonable access to their respective employees, books and records, upon reasonable prior notice to New Cabot Safety, to Cabot and their advisors or representatives. Cabot shall have the right (i) to select one member of the Board of Directors who is a designee of Cabot under Section 2.1 to attend each meeting of each committee of the Board of Directors to observe such meeting if Cabot so notifies Holdings of its election to do so, (ii) to select one member of the Board of Directors who is a designee of Cabot under Section 2.1 to be a member of each committee of the Board of Directors if Cabot so notifies Holdings of its election to do so and (iii) to have a representative of Cabot attend each meeting of the audit committee of the Board of Directors to observe such meeting if Cabot so notifies Holdings of its election to do so.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement or caused this Agreement to be executed on its behalf as of the date first written above.

VESTAR EQUITY PARTNERS, L.P.

By: Vestar Associates, L.P.,
its general partner

By: VESTAR ASSOCIATES CORPORATION,
its general partner

By:_____
Name:
Title:

CABOT CSC CORPORATION

By:_____
Title

CABOT SAFETY HOLDINGS CORPORATION

By:_____
Name:
Title:

SEELIG FAMILY LIFETIME TRUST

By:_____
Name:
Title:

_____
Leonard Lieberman

MANAGEMENT INVESTORS:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

CABOT CORPORATION

By:_____
Name:
Title: