

(o) any retrospective premiums, reinsurance payments, payments under reimbursement contracts or other adjustments under any insurance policy maintained for the benefit of Seller or any of its Affiliates or their respective predecessors covering any liability or obligation that is an Assumed Liability;

(p) all liabilities and obligations relating to environmental matters, including all Environmental Liabilities and Costs, to the extent relating to the Assets or the Business; and

(q) from and after the occurrence of a Whitman Event, (i) all liabilities and obligations described in clauses (i) or (ii) of Retained Asbestos Product Liabilities, (ii) all Whitman Indemnifiable Retained Environmental Liabilities (except to the extent such liabilities and obligations are Retained Liabilities pursuant to Sections 2.4(a), (d) or (h) of this Agreement) and (iii) all liabilities and obligations described in clause (i) of Retained Off-Site Environmental Liabilities (except to the extent such liabilities and obligations are Retained Liabilities pursuant to Sections 2.4(a), (d) or (h) of this Agreement).

Section 2.4 Retained Liabilities. Notwithstanding Section 2.3, Seller shall retain, and shall continue to be responsible after the Closing Date for, the Retained Liabilities (as defined below). If any of the Retained Liabilities are liabilities or obligations of the Canadian Subsidiary, such liabilities and obligations shall be assumed by Seller on or before the Closing. The term "Retained Liabilities" shall mean and be limited to the following liabilities and obligations:

(a) all liabilities and obligations to the extent arising out of the Retained Assets, including the liabilities and obligations set forth in Section 2.4(d);

(b) all liabilities and obligations Seller has expressly agreed to retain, pay for or be responsible for pursuant to Article VI, Article VII and Article VIII and any liabilities and obligations Seller expressly agrees to retain pursuant to the Supplemental Liabilities Retention Agreement;

(c) all liabilities and obligations arising out of the Management Severance Agreements dated as of April 20, 1994, between Abex Friction Products Division and certain members of management listed on Schedule 2.4(c);

(d) all Environmental Liabilities and Costs arising out of or relating to the real properties operated by Seller or its predecessors in Mahwah, New Jersey (except to the extent such liabilities and costs arise out of or relate to the Mahwah