Section 3.4 Undisclosed Liabilities. To Seller's Knowledge, there are no liabilities or obligations of any nature whether absolute, accrued, contingent or otherwise, and whether due or to become due, arising out of or relating to the Business, except (a) to the extent accrued or reflected or reserved against on the Final Closing Balance Sheet, (b) as disclosed in the Schedules hereto, (c) liabilities and obligations under Contracts, Leases and Government Permits which are not of sufficient materiality to require disclosure in Schedules 3.9(a) or 3.13, (d) with respect to making this representation solely on the date hereof, liabilities on the Financial Statements or arising in the ordinary course of business since December 31, 1993 that are of a kind or type which would be included in a balance sheet prepared by Seller in accordance with its normal policies and procedures, (e) asbestos-related liabilities of the type described on Schedule 3.4 and (f) Retained Liabilities.

Section 3.5 Title; Properties. (a) Seller or the Canadian Subsidiary has good title to, or holds by valid lease or license, all of the Assets (other than assets disposed of in the ordinary course of business consistent with past practice), free and clear of all Encumbrances, except for Permitted Liens (it being understood, however, that Abex Corporation, to which Seller is the successor in interest, is the registered owner of much of the Purchased Intellectual Property and Licensed Intellectual Property). At the Closing, subject to Section 5.12 and Section 5.18, Seller will transfer to Buyer good title to, or a valid lease or license interest in, all of the Assets (other than Assets held by the Canadian Subsidiary which the Canadian Subsidiary shall continue to have good title to or a valid lease or license interest in through Closing) free and clear of all Encumbrances except for Permitted Liens.

(b) All Leases are valid and binding obligations of Seller (assuming they are valid and binding obligations of the other parties thereto), there exist no material breaches or defaults (and Seller has not taken any actions which, and there exist, to Seller's Knowledge, no events or conditions which, with the giving of notice or the lapse of time or both would become material breaches or defaults) by Seller, the Canadian Subsidiary or, to Seller's Knowledge, any other party thereto, and to Seller's Knowledge the Leases are valid and binding obligations of the other parties thereto.

Section 3.6 Absence of Certain Changes. Except as disclosed in Schedule 3.6 or in connection with asbestos-related matters of the type described on Schedule 3.6, since January 1, 1994, (i) except for the transactions contemplated by this Agreement, the Division has not entered into any material transaction, or conducted its business or operations, other than in the ordinary course of business, (ii) except for