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TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

8.27.03

- [X] New
- [ ] Resubmission (Non-Recordation) Document ID#
- [ ] Correction of PTO Error Reel # Frame #
- [ ] Corrective Document Reel # Frame #

Conveyance Type

- [ ] Assignment
- [ ] Security Agreement
- [ ] License
- [ ] Change of Name
- [ ] Merger
- [X] Other Court order approving asset purchase agreement including *U.S. Government* patent

(For Use ONLY by U.S. Government Agencies)

- [ ] Departmental File
- [ ] Secret File

Conveying Party(ies)

[ ] Mark if additional names of conveying parties attached

Name (line 1): Steel Horse Automotive Accessories, Inc. — Execution Date Month Day Year: 12192002

Name (line 2):

Second Party

Name (line 1): — Execution Date Month Day Year:

Name (line 2):

Receiving Party

[ ] Mark if additional names of receiving parties attached

Name (line 1): Berryman Products, Inc.

Name (line 2):

Address (line 1): 3800 East Randol Mill Road

Address (line 2):

Address (line 3): Arlington (City) Texas (State/Country) 76011 (Zip Code)

[ ] If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. *(Designation must be a separate document from Assignment.)*

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name:

Address (line 1):

Address (line 2):

Address (line 3):

Address (line 4):

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08/28/2003 GTON11 00000001 6386410
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Mail documents to be recorded with required cover sheet(s) information to:
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U.S. Department of Commerce
Patent and Trademark Office
PATENT

Correspondent Name and Address

Area Code and Telephone Number: 916-781-6634

Name: Bradley P. Heisler

Address (line 1): Heisler & Associates

Address (line 2): 3017 Douglas Blvd., Suite 300

Address (line 3): Roseville, CA 95661

Address (line 4):

Pages

Enter the total number of pages of the attached conveyance document including any attachments. # 94

Application Number(s) or Patent Number(s)

☐ Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)			Patent Number(s)		
			6386410		

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor. Month Day Year

Patent Cooperation Treaty (PCT)

Enter PCT application number only if a U.S. Application Number has not been assigned.

PCT | PCT | PCT

PCT | PCT | PCT

Number of Properties

Enter the total number of properties involved. # 1

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): $ 40.00

Method of Payment: Enclosed [X] Deposit Account [ ]

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: #

Authorization to charge additional fees: Yes [ ] No [ ]

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Bradley P. Heisler		8-25-03
Name of Person Signing	Signature	Date

COPY

ORIGINAL

LEE R. BOGDANOFF (State Bar No. 119542)
METTE H. KURTH (State Bar No. 187100)
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Reorganization Counsel for
Debtors and Debtors in Possession

Debtors' Mailing Address
601 W. Walnut Street
Compton, California 90220-5223

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UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC., a California corporation, d/b/a Acme Truck Parts, Steel Horse Automotive, and Fibernetics Molded Products, f/k/a CDK, Inc.; **STEEL HORSE HOLDINGS, INC.**, a Delaware corporation; **MID-AMERICA AUTOMOTIVE, INC.**, an Oklahoma corporation; **NPI ESTATE**, an Ohio corporation,

Debtors and Debtors in Possession.

Case No.: LA 02-35563 ER
LA 02-35569 ER
LA 02-35581 ER
LA 02-35577 ER

(Jointly Administered Under Case No. LA 02-35563 ER)

[Pleading Applies To All Cases]

Chapter 11

ORDER APPROVING ASSET PURCHASE AGREEMENT BY AND AMONG STEEL HORSE HOLDINGS, INC., STEEL HORSE AUTOMOTIVE ACCESSORIES, INC., MID-AMERICA AUTOMOTIVE, INC. AND BERRYMAN PRODUCTS, INC DATED AS OF NOVEMBER 27, 2002

Hearing

DATE: December 19, 2002
TIME: 1:30 p.m.
PLACE: Courtroom 1568
Roybal Federal Building
255 East Temple Street
Los Angeles, CA 90012

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IN THIS DISTRICT, AT LOS ANGELES, CALIFORNIA, ON THE DATE INDICATED BELOW:

On December 19, 2002 this Court held a hearing on the *Motion for Order: (1) Approving Asset Purchase Agreement By and Among Debtors and Berryman Products, Inc.; (2) Approving Sale of Substantially All of Debtors' Assets Free and Clear of Liens, Claims, and Encumbrances; (3) Approving the Assumption, Assignment, and Sale of Certain Executory Contracts and Unexpired Leases and Determining the Cure Payments Needed in Relation to the Assumption of Those Certain Executory Contracts and Unexpired Leases; (4) Extending the Assumption or Rejection Period with Respect to Certain Unassigned Real Property Leases and Approving Related Use and Occupancy Agreements; and (5) Appointing an Estate Representative in These Cases* (the "Motion") filed by Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc., and Mid-America Automotive, Inc. (collectively, "Steel Horse").[1] The record of the hearing reflects the appearances that were made by counsel.

The Court has reviewed and considered the notice of Motion; the Motion; the accompanying Memorandum of Points and Authorities; the Declarations of Matthew J. Sodl, Mark D. Barbeau, and Curtis Boozer filed in support of the Motion; the notices of the extensions of the bidding deadlines filed by Steel Horse; the submissions of schedules and related documents filed and served in connection with the Motion; the *Objection to Sale; Objection to Nonassumption of Lease; Objection to Zero Payments to Cure Defaults* filed by the Beckett Family Trust; the debtors' *Reply to Objection to Sale, Nonassumption of Lease, and Proposed Cure Amounts*; all other pleadings and documents filed in connection with the Motion; the arguments of counsel at the hearing; and the record in these cases. Based on its review and consideration of the materials listed above, the Court makes the findings of fact and conclusions of law enumerated below. This Order constitutes the Court's findings of fact and conclusions of law under Bankruptcy Rules 7052 and 9014. Any finding of fact constitutes a finding of fact even if it is stated as a conclusion of law, and any conclusion of law consti-

[1] Capitalized terms used in this Order and not otherwise defined have the meaning ascribed to them in the Motion and the Asset Purchase Agreement.

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tutes a conclusion of law even if it is stated as a finding of fact.

NOW, THEREFORE, THE COURT HEREBY FINDS THAT:

1. Notice of the hearing on the Motion and the relief requested therein was reasonable and appropriate under the particular circumstances presented in these cases and was made in accordance with the Bankruptcy Code and other applicable law and rules of procedure, and no other notice need be given.

2. The extension of the bidding deadline established pursuant to this Court's *Order Granting Motion for Order: (I) Approving Overbid Procedures and Breakup Fee; and (2) Setting Hearing on Debtors' Motion for Order Approving Asset Purchase Agreement With Prospective Buyer and Establishing Related Briefing Schedule and Other Related Relief* until December 17, 2002 at 5:00 p.m. Pacific Time was reasonable and appropriate given the circumstances presented in these cases.

3. Steel Horse has the legal right and capacity to convey all of the right, title, and interest that it has in and to the Purchased Assets.

4. The transactions contemplated and effected by the *Asset Purchase Agreement By and Among Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc., Mid-America Automotive, Inc., and Berryman Products, Inc.*, as amended (the "Asset Purchase Agreement") and by this Order are exempt from the imposition of stamp, transfer, or related taxes under Bankruptcy Code section 1146(c) and (d).

5. Berryman Products, Inc. ("Buyer") is a good faith purchaser entitled to the protections afforded by Bankruptcy Code section 363(m) as evidenced by, among others, the following facts:

a. Steel Horse and its advisors have engaged in substantial, arms-length, good faith negotiations with Buyer, and the Asset Purchase Agreement and related documents are the product of these negotiations;

b. Steel Horse and its advisors conducted an informal solicitation of bids before the Auction and the Sale Hearing and participated in negotiations and a bidding process for several weeks before selecting Buyer as their "stalking

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horse" bidder;

c. Steel Horse conducted the bidding process and Auction substantially in accordance with procedures approved by this Court and designed to afford interested parties with an opportunity to submit bids for the Purchased Assets;

d. Steel Horse selected Buyer as the successful bidder at the Auction based, among other things, on Steel Horse's determination that it is in the best interest of Steel Horse's estate and creditors for Steel Horse to enter into the Asset Purchase Agreement with Buyer;

e. All payments to be made by Buyer in connection with the Asset Purchase Agreement have been disclosed to this Court;

f. Neither Steel Horse nor Buyer have engaged in any conduct that would permit the Asset Purchase Agreement to be avoided under Bankruptcy Code section 363(n); and

g. The transaction contemplated under the Asset Purchase Agreement, including the transfer of the Purchased Assets to Buyer, is free from any fraudulent intent, purpose, or desire on the part of Buyer to escape liability for Steel Horse's obligations or debts.

6. Buyer would have not agreed to purchase the Purchased Assets and will not consummate the purchase if the sale of the Purchased Assets to Buyer were not free and clear of any and all liens, claims and encumbrances as set forth in Paragraph D of this Order.

7. Buyer has provided adequate assurance of future performance with respect to Steel Horse's obligations under the Assigned Contracts and Leases, and Steel Horse is authorized to assume the Assigned Contracts and Leases and to assign them to Buyer, provided, however, that this Paragraph is subject to Paragraph G.

8. The amounts set forth on Schedule 1.3(c) to the Asset Purchase Agreement are the only amounts and conditions required to be paid to cure defaults existing under the Assigned Contracts and Leases, and no other defaults need be cured, as a prerequisite to the assumption and assignment of the Assigned Contracts and Leases. The amounts set forth on

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Schedule 1.3(c) to the Asset Purchase Agreement are the only amounts and conditions required to be paid, as of the Closing Date, to cure defaults existing under the Unassigned Real Property Leases and no other pre-closing defaults will need to be cured by Steel Horse as a prerequisite to the assumption and assignment of the Unassigned Real Property Leases. This finding does not constitute a finding with respect to any amounts or conditions that may be required to be paid by Buyer, pursuant to the terms of the Use and Occupancy Agreements, to cure defaults under the Unassigned Real Property Leases arising subsequent to the Closing Date.

9. There is good cause within the meaning of Bankruptcy Code section 365(d)(4) to extend until June 30, 2003 the deadline by which Steel Horse must assume, assume and assign, or reject the Unassigned Real Property Leases.

10. Buyer is only buying the Purchased Assets and is not a successor in interest to any of the Steel Horse entities.

11. Under the terms of the Asset Purchase Agreement, Buyer has not assumed any liabilities in connection with Steel Horse's unofficial severance-pay program, and neither Buyer nor Steel Horse is required to make any payments in connection with this unofficial program, which Steel Horse previously maintained on an unofficial basis in its sole discretion.

12. The transaction contemplated under the Asset Purchase Agreement does not amount to a consolidation, merger, *de facto merger*, or similar restructuring of Buyer and any of the Steel Horse entities.

13. There is good and sufficient cause for Steel Horse to designate Mark D. Barbeau as the chapter 11 estate representative in these cases and to vest Mr. Barbeau with authority to perform the rights and duties and exercise the rights of the debtors in possession in these cases.

14. There is other good and sufficient cause to grant the relief requested in the Motion.

///

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NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

A. The Motion is GRANTED in its entirety.

B. The extension of the bidding deadline established pursuant to this Court's *Order Granting Motion for Order: (1) Approving Overbid Procedures and Breakup Fee; and (2) Setting Hearing on Debtors' Motion for Order Approving Asset Purchase Agreement With Prospective Buyer and Establishing Related Briefing Schedule and Other Related Relief* until December 17, 2002 at 5:00 p.m. Pacific Time is hereby approved.

C. The Asset Purchase Agreement, a copy of which is attached hereto as Exhibit 1, is approved.

D. Pursuant to Bankruptcy Code sections 363 and 365, in accordance with the Asset Purchase Agreement, and upon the closing of the transactions set forth therein, Steel Horse will sell the Purchased Assets to Buyer free and clear of: (a) all claims (including claims of taxing authorities, other than those claims that are not yet due or delinquent), liens, and encumbrances (including tax authority claims), and (b) all claims, liens, and encumbrances based on rights of setoff or recoupment (collectively the "Liens") with such Liens to attach to the consideration to be received by Steel Horse in the same priority and subject to the same defenses and avoidability, if any, as before the closing of the transactions contemplated under the Asset Purchase Agreement. The transfer of the Purchased Assets is or will be a legal, valid, and effective transfer of property of Steel Horse's estate to Buyer.

E. The Purchased Assets include, to the extent assignable by Steel Horse to Buyer, all property damage, but excluding liability, insurance coverage under Steel Horse's insurance policies and insurance contracts covering any loss or damage to any of the Purchased Assets that occurred at any time between the date of the Purchase Agreement and through the Closing (specifically including policies and contracts covering the fire that occurred at the Oklahoma facilities of the Sellers on or about December 14, 2002, including, but not limited to, any claim, action or other right Steel Horse may have for insurance coverage under such policies and contracts that relates to any loss or damage to any Purchased Assets that occurred at any time between the date of the Purchase Agreement and through the Closing (and

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specifically including with regard to the fire), and, regardless of whether or not such claims or coverage are assignable, any proceeds received from any such policy or contract before or after the Closing pertaining to such time period.

F. Buyer will: (1) pay and deliver to Steel Horse the Purchase Price (*i.e.*, $6.1 million in cash, subject to decrease as set forth in Section 2.4 of the Asset Purchase Agreement and subject to the adjustment provided for in Section 1.3 of the Asset Purchase Agreement).

G. As of the Closing Date, Steel Horse is authorized to, and will, assume and assign to Buyer the Assigned Contracts and Leases listed on Schedule 1.3(c) to the Asset Purchase Agreement upon the payment of the cure amounts as provided in Section 1.3(c), and Buyer will be required to pay such cure amounts on the Closing Date and to accept assignment of such Assigned Contracts and Leases. Buyer must complete and submit to U.S. Bancorp a credit application furnished by U.S. Bancorp, within 5 business days of entry of this order, and U.S. Bancorp must accept or reject this credit application within 7 business days Following its receipt. If the credit application is unsatisfactory to U.S. Bancorp, then U.S. Bancorp must request a hearing on shortened notice to determine whether adequate assurance has been provided.

H. Provided the cure amounts are timely paid, the nondebtor parties to the Assigned Contracts and Leases are barred from asserting as against Steel Horse, the Buyer, and their respective affiliates, agents, insiders, and assigns any default or unpaid obligation allegedly arising or occurring before the date of assumption, assignment, and sale of those Assumed and Assigned Agreements.

I. Steel Horse is authorized to enter the Use and Occupancy Agreements with respect to the Unassigned Real Property Leases, the terms of which are incorporated into, and approved as a part of, this Order.

J. As permitted by Bankruptcy Code section 365(d)(4), the time within which Steel Horse may move to assume, assume and assign, or reject the Unassigned Real Property Leases under which Steel Horse leases the premises located on East Greenleaf Street, South Alameda Street, and West Walnut Street in Compton, California—to the extent that they may constitute unexpired leases of nonresidential real property—is extended through and including June 30, 2003.

K. The time within which Steel Horse may assume, assume and assign, or reject the Unassigned Real Property Leases may, for cause, be further extended by this Court based upon a motion by Steel Horse filed with this Court and served on all parties entitled to notice

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on or before June 30, 2003.

L. Nothing in this Order is, or should be deemed to be, a finding that the Real Estate Leases are unexpired nonresidential real property leases within the meaning of the Bankruptcy Code.

M. Steel Horse is authorized to deliver $250,000 in sale proceeds from the Purchased Assets to Jacobson Plastics, Inc., pursuant to the Jacobson Side Letter Agreement entered into between Steel Horse and Jacobson Plastics, Inc. and dated as of December 18, 2002, and attached hereto at Exhibit 2, the terms of which are incorporated into, and approved as a part of, this Order.

N. The automatic 10-day stay otherwise applicable to this Order under Federal Rules of Bankruptcy Procedure 6004(g) and 6006(d) is waived.

O. Steel Horse is authorized—effective upon resignation of its officers and the members of its boards of directors and upon notice to this Court and to all parties entitled to special notice in these cases—to designate Mark D. Barbeau as the chapter 11 estate representative in these cases and to vest Mr. Barbeau with authority to perform the rights and duties and exercise the rights of the debtors in possession in these cases;

P. The Court will retain jurisdiction over disputes pertaining to this Order or the Asset Purchase Agreement.

DATED: December 19, 2002

ERNEST M. ROBLES
UNITED STATES BANKRUPTCY JUDGE

Presented by:

METTE H. KURTH, ESQ.
KLEE, TUCHIN, BOGDANOFF & STERN LLP
Reorganization Counsel for
Debtors and Debtors in Possession

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Exhibits

Execution Copy

ASSET PURCHASE AGREEMENT

BY AND AMONG

STEEL HORSE HOLDINGS, INC.,

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.,

MID-AMERICA AUTOMOTIVE, INC.

AND

BERRYMAN PRODUCTS, INC.

DATED AS OF NOVEMBER 27, 2002

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EXHIBITS

Exhibit A - Section 2.3 Escrow Agreement

Exhibit B - Use and Occupancy Agreement

Exhibit C - Bill of Sale

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement"), dated as of November 27, 2002, is made and entered into by and among (i) Steel Horse Holdings, Inc., a Delaware corporation ("Steel Horse"), (ii) Steel Horse Automotive Accessories, Inc., a California corporation ("Steel Horse Automotive"), and (iii) Mid-America Automotive, Inc., an Oklahoma corporation ("Mid-America" and, together with Steel Horse and Steel Horse Automotive, collectively, "Sellers" and individually, "Seller"), and (iv) Berryman Products, Inc., a Texas corporation ("Buyer"). Notwithstanding anything contained in this Agreement to the contrary, neither Sellers nor any affiliate of Sellers shall be deemed to include Nifty Products, Inc.

RECITALS

A. Sellers desire to sell, assign, transfer and convey to Buyer all of the assets (other than the Excluded Assets) and certain specified liabilities (the Assumed Liabilities) (as hereinafter defined) of their respective businesses, which include the manufacture and marketing of molded automotive accessory products and tubular products for the automotive accessory market, and mass customization of automotive accessory products for the light truck market (individually, a "Business" and collectively, the "Businesses"), upon the terms and subject to the conditions of this Agreement.

B. Buyer desires to purchase and assume from Sellers such assets and liabilities, upon the terms and subject to the conditions of this Agreement; provided, however, certain schedules or exhibits referenced herein may not be attached hereto at the time of signing this Agreement. Such schedules and exhibits will be finalized and attached in accordance with Section 10.12.

C. Each of Sellers is a debtor under title 11 of the United States Code (the "Bankruptcy Code") in a chapter 11 case (Sellers' chapter 11 cases are hereinafter referred to collectively as the "Cases," and individually as a "Case") now pending before the United States Bankruptcy Court for the Central District of California (the "Court").

NOW THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, agreements, terms and conditions contained herein, and in order to set forth the terms and conditions of the sale, the parties hereto do hereby agree as follows:

ARTICLE I
SALE AND PURCHASE OF ASSETS

1.1 Purchase and Sale. On the terms and subject to the conditions of this Agreement, at the Closing, Sellers shall assume and assign, pursuant to the Bankruptcy Code, the Assigned Contracts and Leases (as hereinafter defined) and shall sell, convey, assign, transfer and deliver to Buyer, all of Sellers' right, title and interest in, to and under, the Purchased Assets (as hereinafter defined). On the terms and subject to the conditions of this Agreement, at the

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Closing, Buyer shall purchase and accept from Sellers all of Sellers' right, title and interest in, to and under the Purchased Assets. The consideration which Buyer shall pay and deliver for the Purchased Assets shall be (i) $6,100,000 subject to decrease as set forth in Section 2.4 (the "Purchase Price"), (ii) the assumption of the Assumed Liabilities (as hereinafter defined), (iii) payment of one-half of the Accrued Vacation Payment for employees of Sellers that Buyer hires within thirty (30) days of the Closing, and (iv) payment of the amounts and other consideration that the Court determines are required to cure any Default (as defined in Section 1.3(c)) under the Assigned Contracts and Leases that are not excluded under Section 1.3(c) or 1.2 for each lease and contract actually assumed by Buyer. Notwithstanding any other provision of this Agreement, Buyer's obligations in connection with the payments and other consideration referenced in Section 1.1 (iii) and (iv) shall not exceed $425,000.

1.2 Purchased Assets and Excluded Assets.

(a) Purchased Assets. The term "Purchased Assets" means all of the assets, goodwill and rights of Sellers and the Businesses as of the Closing (as hereinafter defined), including, without limitation, the following items, but excluding therefrom the Excluded Assets:

(i) all inventory owned by Sellers held for resale, wherever located, including raw materials, work-in-process and finished products, as set forth in Schedule 1.2(a)(i);

(ii) all accounts and notes receivable of Sellers and all customer credits that remain outstanding as of the Closing Date, as set forth in Schedule 1.2(a)(ii);

(iii) all tangible personal property owned by Sellers, wherever located, including, but not limited to, all furniture, fixtures, equipment, machinery, furnishings, motor vehicles, computers, computer systems and software, office equipment, tools and other articles of personal property that are used in Sellers' Businesses, as set forth in Schedule 1.2(a)(iii);

(iv) to the extent assignable by Sellers to Buyer and subject to the provisions of Section 1.3(b), all contracts, real and personal property leases, subleases, indentures, licenses, agreements, commitments, bids, quotes, proposals, purchase orders and sales orders ("Assigned Contracts and Leases") that are set forth in Schedule 1.2(a)(iv) and that are not Excluded Assets;

(v) all trademarks, and trade names used by the Businesses, including but not limited to all trade names, business names and trade dresses incorporating Steel Horse, CDK, Inc., Molded Products, or Fibernetics (collectively, the "Names"), including, without limitation, those trademark registrations or applications for trademark registrations listed on Schedule 1.2(a)(v) attached hereto, and all other intellectual property used in the Businesses (the "Intellectual Property");

(vi) to the extent assignable by Sellers to Buyer, all rights, claims, credits, suits, actions, demands, hearings, proceedings, judgments, orders, injunctions, writs, awards, decrees and rulings of any federal, state, local or foreign government or court of competent jurisdiction, administrative agency, commission, or other governmental or regulatory authority or instrumentality ("Governmental Entity") to the extent relating to any Purchased Asset or any Assumed Liability, including any such items arising under guarantees, warranties,

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indemnities and similar rights in favor of Sellers in respect of any Purchased Asset or such Assumed Liability;

(vii) subject to Section 1.2(b)(vii), all books of account, ledgers, financial, accounting and Tax (as hereinafter defined) records and all general and personnel records, files, invoices, customers' and suppliers' lists, other distribution and mailing lists, price lists, reports, plans, advertising materials, catalogues, billing records, sales and promotional literature, manuals, and customer and supplier correspondence (the "Records") that are used in the Businesses, in all cases in any form or medium. The term "Tax" as used herein shall mean any and all federal, state, local or foreign income, sales, use, transfer, payroll, unemployment, Social Security, property, occupancy or other tax, levy, impost, fee, imposition, assessment or similar charge, together with any related addition to tax, penalties or interest thereon;

(viii) all sundry items, including telephone numbers, key and lock combinations and passwords which are necessary to Buyer's use of the Purchased Assets in the ordinary course of business;

(ix) all goodwill generated by, associated with or attributable to the Businesses or the Intellectual Property;

(x) to the extent assignable by Sellers to Buyer, all property damage, but excluding liability, insurance coverage under Sellers' insurance policies and insurance contracts covering any loss or damage to any of the Purchased Assets that occurred at any time prior to the date of this Agreement, including, but not limited to, any claim, action or other right Sellers may have for insurance coverage under such policies and contracts that relates to any loss or damage to any Purchased Assets that occurred at any time prior to the date of this Agreement, and, regardless of whether or not such claims or coverage are assignable, any proceeds received from any such policy or contract after the Closing pertaining to such time period. Notwithstanding the foregoing, Sellers shall retain all insurance coverage and contracts and any claims, actions or other rights related to the Excluded Assets;

(xi) all prepaid assets and security deposits, as set forth in Schedule 1.2(a)(xi);

(xii) to the extent assignable by Sellers to Buyer, all of Sellers' rights in, to and under third-party manufacturers' warranties, other than warranties with respect to the Excluded Assets, as set forth in Schedule 1.2(a)(xii);

(xiii) to the extent transferable, any approval, consent, permit, license, waiver or other authorization issued, granted, given or otherwise made available by or under any Governmental Entity, or pursuant to any Law which is material and applicable to the Businesses, as set forth in Schedule 1.2(a)(xiii);

(xiv) the right to bill and receive payment for products shipped or delivered and services performed but unbilled as of the Closing;

(xv) all advertising, marketing and promotional materials and all other printed or written materials;

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(xvi) all indemnities relating to the Purchased Assets, as set forth in Schedule 1.2(a)(xvi); and

(xvii) in Buyer's sole discretion, all products that Sellers specifically import for resale in the automotive accessory market, other those assets set forth on Exhibit A to that certain Bauer Asset Purchase Agreement, dated as of October 29, 2002, (the "Import Business"); provided, however, that should Buyer determine to include the Import Business in the Purchased Assets, the Purchase Price shall be increased by $50,000.

(b) Excluded Assets. The Purchased Assets shall not in any event include the Excluded Assets, and the term "Excluded Assets" means:

(i) all cash, bank accounts, certificates of deposit and other similar items of Sellers. All cash flow from the date of this Agreement through the Closing shall accrue to Sellers;

(ii) all of Sellers' rights, claims, credits, suits, actions or demands against any affiliate, including, but not limited to, intercompany claims;

(iii) all of Sellers' (and their respective bankruptcy estates') causes of action, including, but not limited to, avoidance and other causes of action, arising under Bankruptcy Code Sections 510, 541, 544, 545, 547, 548, 549, 550, 551 and 553, except to the extent any such cause of action constitutes a Purchased Asset as set forth in Section 1.2(a)(vi) or (x);

(iv) in addition to the provisions of Sections 1.2(b)(ii) and 1.2(b)(iii), all of Sellers' (and their respective bankruptcy estates') rights, claims, credits, suits, actions, demands, hearings, proceedings, judgments, orders, injunctions, writs, awards, decrees and rulings of any Governmental Entity to the extent relating to any Excluded Asset or any Excluded Liability, including, but not limited to, (A) any such items arising under insurance policies and all guarantees, warranties, indemnities and similar rights in favor of any Sellers in respect of any Excluded Asset or any Excluded Liability, and (B) any counterclaims, offset rights, rights to recoupment and other defenses available to any Sellers in respect of such Sellers' obligations and liabilities to its lenders and creditors;

(v) except as set forth in Section 1.2(a)(x), all insurance policies and insurance contracts insuring the Businesses of Sellers, or any Purchased Asset or Excluded Asset, (but not excluding any claim, action or other right any Sellers may have for insurance coverage under any past and present policies and insurance contracts insuring the Business of any Sellers, or any Purchased Asset or Excluded Asset, including any proceeds received from any such policy or contract after the Closing);

(vi) all refunds of (i) Taxes, including deferred Taxes, and (ii) insurance premiums with respect to the Business of any Sellers for any period ending on or prior to the Closing Date, and all prepayments of such Taxes or premiums made by any Sellers;

(vii) (A) all Records of Sellers that Sellers are required by any federal, state, local, foreign or other applicable statute, law, ordinance, rule or regulation ("Law") to

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retain; (B) all Records prepared in connection with the sale of any Sellers' Businesses to Buyer; (C) all financial and Tax Records relating to any Sellers' Businesses that either (1) form part of Sellers' general ledger or (2) relate to Tax periods which commenced prior to the Closing Date or for which Sellers retain any liability hereunder; and (D) all stock Records, minute books and other corporate Records of Sellers;

(viii) that certain promissory note known as the Quadratec Note;

(ix) all contracts, real and personal property leases and subleases which are not one of the Assumed Liabilities;

(x) in Buyer's sole discretion, the Import Business; and

(xi) in Buyer's sole discretion, any other assets, goodwill and rights of Sellers and the Businesses (including without limitation any contracts, leases, subleases, agreements and other items that would otherwise be part of the Purchased Assets) that Buyer designates prior to Closing.

Notwithstanding the fact that claims and causes of action described in Section 1.2(b) are Excluded Assets, neither Sellers nor their bankruptcy estates shall assert any claim or cause of action that is an Excluded Asset if and to the extent the assertion of such claim or cause of action would result in the imposition of liability against Buyer due to Buyer's ownership or use of the Purchased Assets or against the Businesses; provided, however, that nothing in the preceding clause shall be deemed to restrict or prevent Sellers from asserting their rights under this Agreement against Buyer in the event of a breach by Buyer of its obligations under this Agreement.

1.3 Assumption of Certain Liabilities. Upon the terms and subject to the conditions of this Agreement, at the Closing Buyer shall assume only the liabilities and obligations specified in this Section 1.3, and only to the extent such liabilities or obligations relate to Purchased Assets which are transferred and assigned to Buyer at the Closing or such other later transfer or assignment date expressly provided for in this Agreement (collectively, the "Assumed Liabilities"). Following the Closing, Buyer shall perform and satisfy, and shall be solely responsible for, the Assumed Liabilities, and Buyer shall waive any right to seek reimbursement from Sellers or their affiliates for or on account of the Assumed Liabilities. Other than the Assumed Liabilities, Buyer does not assume and shall in no event be liable for any liabilities, debts or obligations of any Seller, whether accrued, absolute, matured, contingent or otherwise (and those liabilities that are not Assumed Liabilities shall be "Excluded Liabilities"). The Assumed Liabilities are as follows:

(a) all liabilities arising after the Closing Date with respect to or arising under the Purchased Assets; but only to the extent such obligations accrue and are to be performed or paid after the Closing Date; and

(b) liabilities from and after the Closing Date under the Assigned Contracts and Leases, but only to the extent such obligations accrue and are to be performed or paid after the Closing Date; and

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(c) liabilities under the Assigned Contracts and Leases as set forth on Schedule 1.3(c), except as excluded by Buyer under Section 1.2(b). Set forth on Schedule 1.3(c) attached hereto is a list of the amounts and other consideration (the "Cure Amounts") that pursuant to Bankruptcy Code Section 365(a), to the Knowledge of Sellers' executive officers, as of the Closing Date, will be required to cure any default on the part of Sellers under the Assigned Contracts and Leases, including those contracts designated as "Key Contracts" on Schedule 1.3(c) or that will be otherwise due to the parties under the Assigned Contracts and Leases, which amounts or other consideration must be delivered to the nondebtor parties under the Assigned Contracts and Leases, or with respect to which adequate assurance of prompt delivery must be provided, as a prerequisite to the assumption of such Assigned Contracts and Leases under Bankruptcy Code Section 365(b) (the "Defaults"). The term "Cure Finding" as used herein shall mean a finding by the Court (which finding shall be made prior to the Closing) that the only amounts and other consideration required to cure any Defaults under each Assigned Contract and Lease are equal to the Cure Amounts set forth on Schedule 1.3(c). In the event the Cure Finding set forth in the Sale Order (as hereinafter defined) exceeds the Cure Amount with respect to a particular Assigned Contract or Lease, Buyer shall have the right to (i) exclude from the Purchased Assets and the Assumed Liabilities such Assigned Contract or Lease or (ii) with respect to the Key Contracts set forth in Schedule 1.3(c), include such Assigned Contract or Lease in the Purchased Assets and the Assumed Liabilities and reduce the Purchase Price, on a dollar-for-dollar basis, by the amount that the Sale Order includes a finding by the Court that the amounts and other consideration required to cure any Default exceeds the Cure Amounts for such Key Contracts. Buyer shall exercise its right of excluding Assigned Contracts or Leases by giving written notice to Sellers, on or before the second business day following the date of the Cure Finding, specifying each particular Assigned Contract and/or Lease to be excluded from the transactions contemplated hereby. Failure of Buyer to timely deliver such written notice shall be construed as Buyer's election to have all Assigned Contracts and Leases included in the Purchased Assets and the Assumed Liabilities. On the Closing Date, Buyer shall be responsible for tendering, to parties under the Assigned Contracts and Leases which have not been excluded pursuant to the preceding provisions of this Section 1.3(c) or Section 1.2(b), the consideration necessary to cure any Defaults, even if such consideration exceeds the amounts and consideration set forth on Schedule 1.3(c). Other than as set forth above with respect to Key Contracts, Buyer agrees that Buyer's sole recourse in the event the Cure Finding set forth in the Sale Order exceeds the Cure Amount with respect to a particular Assigned Contract or Lease is to exclude such Assigned Contract or Lease and, following the Closing, whether or not the Cure Finding set forth in the Sale Order exceeded the Cure Amount, Buyer shall have sole responsibility for the Assigned Contracts and Leases (if not so excluded), and all the Assumed Liabilities associated therewith (even if such Assumed Liabilities exceed the Cure Amount, as set forth above in Section 1.3 and this Section 1.3(c)). Except as set forth above with respect to Key Contracts, there shall be no reduction of the Purchase Price due to the exclusion of one or more Assigned Contract or Lease. Notwithstanding any other provision hereof, Buyer shall have no obligation to pay any amount, as a cure of default or otherwise, with respect to any contract, lease or other item that is part of the Excluded Assets.

1.4 Nonassignability of Assets. This Agreement shall not constitute an agreement to sell, assign, transfer or convey any asset if such sale, assignment, transfer or conveyance is prohibited by any applicable Law or would require the consent, approval, license, permit, order, or authorization ("Consent") of any Governmental Entity or other person. If such Consent is not

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obtained prior to Closing, the Closing shall proceed without the sale, assignment, transfer or conveyance of such asset; provided, however, if such failure causes a failure of any of the conditions to Buyer's obligations as set forth in Article VI hereof, the Closing shall proceed only if Buyer shall waive such condition, in its sole discretion. In the event that the Closing proceeds without the sale, assignment, transfer or conveyance of any such asset, then following the Closing, the parties shall use their reasonable best efforts, and cooperate with each other, to obtain promptly such Consents; provided, however, that neither Sellers, on the one hand, nor Buyer, on the other hand, shall be required to pay any consideration for such Consent other than filing, recordation or similar fees which shall be paid by the party who is required by applicable Law or course of dealing to do so. Pending receipt of such Consent, the parties shall cooperate with each other in any mutually agreeable, reasonable and lawful arrangements designed to provide to Buyer the benefits of use of such asset, and to the applicable Sellers, the benefits, including any indemnities, that they would have obtained had the asset been conveyed to Buyer at the Closing. Once Consent for the sale, assignment, transfer or conveyance of any such asset not sold, assigned, transferred or conveyed at the Closing is obtained, the applicable Sellers shall sell, assign, transfer and convey such asset to Buyer at no additional cost to Buyer. To the extent that any such asset cannot be provided to Buyer, following the Closing pursuant to this Section 1.4, Buyer and the applicable Sellers shall enter into such arrangements (including subleasing, sublicensing or subcontracting) to provide to the parties the economic and operational equivalent, to the extent permitted, of obtaining such Consent and the performance by Buyer of the obligations thereunder. The applicable Sellers shall hold in trust for and pay to Buyer, promptly upon receipt thereof, all income, proceeds and other monies received by such Sellers in connection with their use of any asset (net of the net Tax and any other costs imposed upon such Sellers) in connection with the arrangements under this Section 1.4 and Buyer shall indemnify Sellers for the net Tax and any other costs imposed upon Sellers in connection with Buyer's use of any such asset. Notwithstanding the foregoing, to the extent the Bankruptcy Code supercedes any requirement for a Consent then such Consent shall not be required hereunder and this Section 1.4 shall not apply in respect of such Consent.

1.5 WARN Act and Severance. In connection with the transaction contemplated hereunder, Sellers shall terminate all their employees as of the Closing Date. Schedule 1.5(a) attached hereto sets forth (i) the names of all current employees of Sellers and (ii) Sellers' severance obligations with respect to such individuals. Schedule 1.5(b) attached hereto sets forth a schedule of all employees who have been laid off since September 15, 2002, indicating (x) employee name, (y) location of employment and (z) date of termination. Prior to the Closing, Buyer shall deliver to Sellers a written indication of how many of Sellers' existing employees, on an entity-by-entity basis, Buyer intends to employ on an "at will" basis following the consummation of the acquisition (the "Employee Retention Commitment"). Sellers will rely on this information to determine whether and to what extent they may have obligations under the Worker Adjustment and Retraining and Notification Act, 29 U.S.C. § 2101 et seq. ("WARN Act"), as a result of any decision by Buyer not to employ all of Sellers' existing employees. The Employee Retention Commitment shall constitute a binding agreement by Buyer to offer at closing employment on an "at will" basis to the number of existing employees set forth therein (provided that such number shall be reduced to reflect voluntary attrition and terminations by Sellers prior to Closing), subject to the Closing of the transactions contemplated herein. Any obligations under Sellers' existing severance policy with respect to existing employees of Sellers (other than service employees and employees of Sellers who voluntarily terminate employment

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or are terminated by Sellers prior to the Closing) shall be the sole responsibility of Sellers. In addition, Sellers shall pay their respective employees at or prior to the Closing Date any accrued vacation obligations as of the Closing Date (the "Accrued Vacation Payment"). Any WARN Act obligations with respect to existing employees of Sellers that are not offered employment by Buyer shall be the sole responsibility of Buyer, and Buyer shall indemnify and hold harmless Sellers from any such WARN Act liabilities. Except as may result from Buyer's failure to abide by the Employee Retention Commitment, Sellers have not taken any action at any single site of employment in any 90-day period prior to the Closing Date that would constitute a "mass layoff" or "plant closing" within the meaning of the WARN Act, or any similar state or local law, or otherwise trigger liability under any local or state plant closing notice law. Except as otherwise provided for herein or in Section 9.6, Sellers shall not be liable for any liability or obligation that may arise from the employment or the termination of any employees after the Closing.

1.6 Deposit. Concurrent with the execution of this Agreement, Buyer is depositing the amount of $500,000 into a segregated interest bearing bank account at Rein, Evans and Sestanovich (the "Escrow Agent") pursuant to instructions mutually satisfactory to Buyer and Sellers (the "Deposit Account"). In the event the Bidding Procedures Order (as hereinafter defined) provides that potential bidders may make a deposit of less than $500,000, then within one (1) business day following the entry of the Bidding Procedures Order, Sellers shall cause the Escrow Agent to release from the Deposit Account to Buyer the difference between the amount then held in the Deposit Account and the (lower) deposit amount allowed in the Bidding Procedures Order to potential bidders. The amount held in the Deposit Account (the "Deposit") shall be credited against the Purchase Price, returned to Buyer, or retained by Sellers, in accordance with the terms of this Agreement.

ARTICLE II
THE CLOSING

2.1 The Closing. The closing (the "Closing") of the transactions provided for in this Agreement shall be held at the offices of Riordan & McKinzie in the City of Los Angeles (unless the parties hereto otherwise agree) on the Closing Date.

2.2 Closing Date. The Closing shall be held on the earlier of December 27, 2002 or two (2) business days after the conditions set forth in Article VI shall have been satisfied or waived, or on such other date as the parties hereto agree (the "Closing Date").

2.3 Purchase Price Payment and Deliveries. As reflected in Section 2.4, on the Closing Date, Buyer will deliver, or cause to be delivered, to Sellers: a payment, by a wire transfer to Sellers' bank account designated in writing by Sellers (such designation to be made at least two (2) business days prior to the Closing Date) in immediately available funds (the "Cash Payment"), in the amount of the Purchase Price, adjusted as provided for in Section 2.4, less the amount of the Deposit and less the $650,000 (the "Escrowed Funds") deposited into an escrow account (the "Escrow Account"). The Escrowed Funds shall be delivered by wire transfer to the Escrow Account at the same time and in the same manner that the Cash Payment is made. The Escrowed Funds shall be held by the Escrow Agent pursuant to an Escrow Agreement in the

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form attached hereto as Exhibit A. Sellers shall hold, and not disburse any part of, the Cash Payment until the earlier of (a) Buyer's delivery to Sellers of a written notice that Buyer has no objection to Sellers' updated Closing Statement and (b) the next business day following the resolution of disputes relating to the Closing Statement pursuant to Sections 2.4(d), (e) and (f).

2.4 Adjustments of Consideration.

(a) In addition to any other adjustments to the Purchase Price provided for in this Agreement, the Purchase Price shall be (i) reduced as follows: if the sum of the "Good Inventory" plus the "Good Accounts Receivables" ("Sellers' Working Capital") delivered at the Closing are valued at less than $6,250,000, then the Purchase Price shall be reduced on a dollar for dollar basis by the difference between the $6,250,000 and the actual value of Sellers' Working Capital, and (ii) increased in an amount equal to one-half the amount of the Accrued Vacation Payment for those employees of Sellers that Buyer hires within thirty (30) days of Closing. "Good Inventory" shall mean: Sellers' inventory that is of a quality, and in a quantity, saleable at Sellers' usual selling prices for such items in the ordinary course of business, and usable in the ordinary course of business, but in no event include inventory which has been purchased or manufactured by Sellers more than 90 days prior to the Closing Date; with the value of such inventory being equal to the lower of cost or market, determined in a manner consistent with Sellers' historical practice. "Good Accounts Receivables" shall mean the amount of accounts receivable on the books of Sellers, determined in a manner consistent with Sellers' historical practice, which have been outstanding less than 120 days from the date of the applicable invoice (the "120 Day Rule"). Good Accounts Receivable will not include any accounts receivable due from a customer who (x) is, whether voluntarily or involuntarily, in a bankruptcy proceeding, or (y) violates the 120 Day Rule on greater than 25% of the accounts receivables it owes to Seller. Good Accounts Receivable will also be reduced by the dollar amount of customer credits shown on Sellers' books which have not yet been deducted from any payments otherwise due to Sellers from the customer owed such credit regardless of the date such credit was issued. Other than with respect to the Accrued Vacation Payment, the Purchase Price shall not be increased pursuant to this Section 2.4 if Sellers' Working Capital exceeds $6,250,000.

(b) Two days prior to the Closing Date, Sellers will deliver an estimated statement of the Accrued Vacation Payment for those employees of Sellers that Buyer hires within thirty (30) days of Closing, pro-rated as of the Closing Date. The estimated Accrued Vacation Payment statement for those employees of Sellers that Buyer hires within thirty (30) days of Closing shall set forth (i) the estimated amount of the Accrued Vacation Payment for those employees of Sellers that Buyer hires within thirty (30) days of Closing, and (ii) the adjusted Purchase Price.

(c) On the Closing Date, Sellers will deliver an estimated statement of Sellers' Working Capital as of one (1) business day prior to the Closing Date (the "Closing Statement"). The Closing Statement shall set forth (i) Sellers' Working Capital, and (ii) the adjusted Purchase Price, if any.

(d) Within eight (8) business days after receipt of the proposed Closing Statement, Buyer shall deliver a written notice to Sellers stating whether Buyer has any

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objections to the proposed Closing Statement, as updated by Sellers within two (2) business days of the Closing Date, describing in detail any objections thereto. Buyer shall have the right to review the books and records of the Businesses and to meet with the executive officers of Sellers. Sellers and Buyer hereby agree to work diligently to resolve any such objections. Failure to give such timely objection notice (or written notification from Buyer that it has no such objection to the proposed Closing Statement) shall constitute acceptance and approval of such proposed Closing Statement and the proposed adjustments to the Purchase Price set forth therein, if any, and shall be final and binding upon the parties hereto.

(e) Buyer and Sellers shall promptly consult with each other and their respective representatives with respect to any objections by Buyer pursuant to its objection notice and shall use reasonable efforts to resolve all such objections within eight (8) business days after delivery by Buyer of such objection notice.

(f) If any objections remain unresolved after the end of such eight (8) business day period, Sellers and Buyer shall promptly retain BDO Seidman (the "Resolving Accountant"), which Sellers hereby represent is unrelated to Sellers, to resolve any remaining disputes concerning the proposed Closing Statement. Buyer and Sellers shall cooperate fully with the Resolving Accountant, and shall give, and shall cause its respective representatives to give, the Resolving Accountant, and its representatives such reasonable assistance and access to the Purchased Assets and books and records of Sellers, and any applicable work papers, schedules and other documents as the Resolving Accountant shall reasonably request. The Resolving Accountant shall be directed to resolve all disputes within two (2) business days after being retained by the parties hereto, and a resolution of the Resolving Accountant shall be final and binding on the parties hereto. Fees and expenses of the Resolving Accountant shall be borne equally by Buyer, on the one hand, and Sellers, on the other hand, and shall be payable upon completion of the Resolving Accountant's work. For purposes of this Section 2.4, the Closing Statement shall be deemed to be the statement finally determined after all disputes have been resolved as provided herein.

(g) To the extent that the Closing Statement requires a decrease in the Purchase Price in accordance with the provisions of Section 2.4, then, on the next business day following the resolution of all disputes relating to the Closing Statement, there shall be paid to Buyer, from the Escrow Account and, if necessary, the Cash Payment held by Sellers pursuant to Section 2.3, an amount equal to the downward adjustment to the Purchase Price by certified or bank cashier's check or wire transfer of immediately available federal funds to such account as Buyer may designate and following such payment. Any remaining Escrowed Funds shall be paid to Sellers by wire transfer of immediately available federal funds to such account as Sellers may designate. Any amounts which shall be paid pursuant to Section 2.4 shall be paid together with interest earned thereon while such amounts were held in escrow.

2.5 Closing Deliveries.

(a) Deliveries by Buyer. At the Closing, Buyer will execute, or if applicable, deliver, or cause to be delivered, to Sellers:

(i) the Cash Payment;

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(ii) all such executed agreements and other instruments as may be reasonably required by Sellers for the effective assumption by Buyer of the Assumed Liabilities and the Assigned Contracts and Leases (including evidence reasonably satisfactory to Sellers that Buyer has tendered the amounts necessary to cure defaults under the Assigned Contracts and Leases if required by Section 1.3(c)), together with such instruments and certificates as may be reasonably required by Sellers to carry out the parties' intent under this Agreement;

(iii) a certificate executed by Buyer's duly authorized officer, as to matters within his or her areas of responsibility, certifying to the matters set forth in Sections 6.2(c) and 6.2(d) hereof;

(iv) a certificate of a duly authorized officer of Buyer, certifying to the due authorization of the transactions contemplated hereby by Buyer;

(v) a use and occupancy agreement (the "Use and Occupancy Agreement") in substantially the form of the Use and Occupancy Agreement attached hereto as Exhibit B and fully executed by Buyer with respect to each unexpired lease of nonresidential real property listed on Schedules 1.2(a)(iv) and 1.3(c) and designated by Buyer as an "Unassigned Real Property Lease" under Section 4.3;

(vi) certification by the secretary of Buyer that all necessary corporate action on the part of Buyer has been taken to authorize the execution, delivery and performance of this Agreement and the other agreements, instruments and documents contemplated hereby, and attaching copies of any resolutions adopted in connection therewith; and

(vii) all other documents, instruments and writings to be delivered by Buyer at or prior to the Closing pursuant to this Agreement.

Buyer will also cause the Escrowed Funds to be delivered to the Escrow Agent.

(b) Sellers' Deliveries. At the Closing, Sellers will execute, if applicable, deliver, or cause to be delivered, to Buyer:

(i) all appropriate bills of sale, assignments (including assignments of the Names and any other Intellectual Property Rights in a form recordable with the U.S. Patent and Trademark Office) and other transfer documents as may be reasonably required by Buyer to validly transfer title to the Purchased Assets to Buyer, each in form and substance reasonably acceptable to Buyer, together with such instruments and certificates as may be reasonably required by Buyer to carry out the parties' intent under this Agreement, each in form and substance reasonably acceptable to Buyer, with any Bill of Sale to be substantially in the form of Exhibit C;

(ii) certificates executed by the respective Sellers' duly authorized officer, certifying to the matters set forth in Sections 6.1(b) and 6.1(c) hereof, in form and substance reasonably acceptable to Buyer;

(iii) a certified copy of the Sale Order;

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(iv) certificates of title for Purchased Assets for which title is transferable by a certificate of title; and

(v) the Use and Occupancy Agreement with respect to each Unassigned Real Property Lease, in form and substance reasonably acceptable to Buyer, fully executed by Sellers;

(vi) such certification by the Secretary of each Seller that all necessary corporate action on the part of Sellers has been taken to authorize the execution, delivery and performance of this Agreement and the other agreements, instruments and documents contemplated hereby, and attaching copies of any resolutions adopted in connection therewith;

(vii) an order from the Bankruptcy Court, which may be the Sale Order contemplated under Section 4.3, which includes a finding that Buyer is only buying the Purchased Assets and is not a successor-in-interest to Sellers and that Buyer's acquisition of the Purchased Assets does not reflect a substantial continuity of the operation of any of Sellers' Businesses;

(viii) a Section 1146(c) order from the Bankruptcy Court, which may be the Sale Order contemplated under Section 4.3;

(ix) copies of the Bankruptcy Court's docket sheets for Sellers' chapter 11 case; and

(x) all other documents, instruments and writings to be delivered by Sellers at or prior to the Closing pursuant to this Agreement.

2.6 Benefit; Risk of Loss. Upon consummation of the Closing, Buyer will receive the benefits of the Purchased Assets and accrue the obligations of the Assumed Liabilities (including the Assigned Contracts and Leases), from and after 12:01 a.m. on the Closing Date and as of such time, the risk of loss of the Purchased Assets shall be deemed transferred from Sellers to Buyer. Prior to that time, risk of loss shall remain with Sellers.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties by Buyer. Buyer represents and warrants to, and agrees with, Sellers as follows:

(a) Organization, etc. Buyer is a duly organized, validly existing Texas corporation, and is in good standing under the laws of the State of Texas, with full power and authority to own all of its property and assets and to carry on its business as it is now being conducted. Buyer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the character of its property makes such qualification necessary.

(b) Authority Relative to Agreement. Buyer has the full right, power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by Buyer of this Agreement and the consummation by Buyer of the transactions contemplated hereby have been duly and validly authorized by all necessary action or proceedings. This Agreement has been duly and validly executed and delivered by Buyer and constitutes the valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability is limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally.

(c) Non-Contravention. The execution and delivery of this Agreement by Buyer does not, and the consummation by Buyer of the transactions contemplated hereby will not, violate or result in a violation, with or without the giving of notice or the lapse of time or both, constitute a default under, or accelerate or augment the performance otherwise required under, result in the breach of any term or provision of, the Articles of Incorporation or Bylaws or other charter documents of Buyer, or any mortgage, indenture, lien, lease, agreement (including, without limitation, any loan agreement or promissory note), license, instrument, law, permit, concession, franchise, ordinance, rule, regulation, statute, order, decree, arbitration award, judgment or decree to which Buyer or any of its properties or assets (real, personal or mixed, tangible or intangible) are bound.

(d) Consents, etc. As of the Closing Date, Buyer shall have obtained all Consents of any Governmental Entity or other person necessary for Buyer's execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. Buyer does not have "annual net sales" or "total assets," measured in accordance with Section 801.11 of the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended, in excess of $100,000,000.

(e) AS IS Sale. Buyer acknowledges that as of the date hereof, Buyer has become familiar with the assets, liabilities and operations of Sellers. Buyer understands that, except as specifically set forth in this Agreement, none of Sellers is or will be making any representation or warranty, express or implied, and that the Purchased Assets, the Assumed Liabilities and the Businesses being transferred to Buyer are to be conveyed hereunder "AS IS, WHERE IS" on the Closing Date, and in their then present condition. In entering into this Agreement, Buyer is relying upon Buyer's own due diligence investigation and examination of the Purchased Assets and the Assumed Liabilities, which investigation and examination have, been completed to Buyer's satisfaction as of the date hereof. In any event, except as otherwise expressly set forth in this Agreement, Sellers are not making any warranty of merchantability, suitability or fitness for a particular purpose or quality, with respect to any of the tangible Purchased Assets being transferred, or as to the condition or workmanship thereof or the absence of any defects therein, whether latent or patent. Without limiting the generality of the foregoing, except as otherwise expressly set forth in this Agreement, Buyer understands Sellers are not warranting or guaranteeing the collectability of Sellers' accounts receivable.

(f) Litigation. There is no action, suit, proceeding or investigation pending or, to Buyer's knowledge, threatened against Buyer, at law or in equity, before any federal, state, municipal or other governmental department, commission, board, bureau, agency or

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instrumentality which would have a material adverse effect on the business of Buyer or the ability of it to consummate the transactions contemplated by this Agreement; nor is there any judgment, decree, injunction, rule or order of any public body or governmental authority outstanding against Buyer having any such effect.

(g) Compliance with Law. Buyer is in compliance in all material respects with all applicable federal, state, local and foreign laws, statutes, licensing requirements, rules and regulations, and judicial or administrative decisions applicable to its business. Except for any such licenses, permits, authorizations or approvals which are not individually or in the aggregate material to the conduct of its business, Buyer has been granted any and all licenses, permits (temporary and otherwise), authorizations and approvals from federal, state, local and foreign government regulatory bodies necessary to carry on its business as currently conducted, all of which are valid and in full force and effect. As of the date of this Agreement, there has been no order issued, investigation or proceeding pending, or, to Buyer's knowledge, threatened, or notice served with respect to, any violation of any law, ordinance, order, writ, decree, rule or regulation issued by any federal, state, local or foreign court or governmental agency or instrumentality applicable to Buyer.

(h) Brokers and Investment Advisors. No broker, finder or investment advisor is entitled to any commission, financial advisory, brokerage, finder's fee or other similar compensation arrangement from Buyer in connection with the transactions contemplated hereby.

(i) Financial Condition. Buyer has sufficient cash and/or committed credit facilities to pay the Cash Payment and to make all necessary payments of fees and expenses in connection with the transactions contemplated under this Agreement. In addition, Buyer (i) is financially solvent, (ii) has the financial capability to consummate and perform the transactions contemplated by this Agreement, and (iii) has the financial capability to duly and timely perform and discharge all Assumed Liabilities. Buyer specifically agrees that its ability to obtain financing adequate to enable it to pay the Cash Payment on the Closing Date is not a condition to the closing of the transactions contemplated by this Agreement.

3.2 Representations and Warranties by Sellers. Sellers jointly and severally represent and warrant to, and agree with, Buyer as follows:

(a) Organization. Each Seller is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, with full corporate power and authority to own all of its property and assets and to carry on its business as it is now being conducted.

(b) Authority Relative to Agreement. Subject to approval of the Court, each Seller has the full corporate right, power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. As of the Closing, the execution, delivery and performance by each Seller of this Agreement and the consummation by such Seller of the transactions contemplated hereby will have been duly and validly authorized by all necessary corporate action or proceeding and by the Court. This Agreement has been duly and validly executed and delivered by each Seller and, subject to Court approval, constitutes the valid and binding agreement of such Seller, enforceable in accordance with its terms, except as such

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enforceability is limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally.

(c) Consents, etc. As of the Closing Date, each Seller shall have obtained the Court approval necessary for such Seller's execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

(d) Knowledge Representations. The representations made in the Agreement are limited to Sellers' Knowledge (as hereinafter defined). The term "Knowledge" and words of similar import (such as "Known"), as used in this Section 3.2 and elsewhere in the Agreement, mean the actual, current, knowledge, or belief or awareness of any executive officer of Sellers, including, but not limited to, Mark Barbeau, Faith Barnese, Dale Labour, Bill Cord (solely with respect to the customization business), Don Bundy (solely with respect to the tubular products division) and Aubrey Franklin (solely with respect to the molded products division).

(i) Conduct of Business --

(A) Since October 31, 2002 (the date of Sellers' most recent financial statements), the Business of each Seller has been conducted in the ordinary course of business, except due to restrictions imposed on Sellers by the Court, the Bankruptcy Code and the rules promulgated or adopted under the Bankruptcy Code.

(B) Since October 31, 2002, except as set forth on Schedule 3.2(d)(i)(B), there has not been any increase in the compensation payable or to become payable by Sellers to any of their respective employees, or any bonus payment or arrangement made to or with any of them.

(C) Since October 31, 2002, there has not been any amendment or termination of any Assigned Contract or Lease other than in the ordinary course of business as disclosed on Schedule 1.2(a)(iv).

(D) Since October 31, 2002, there has not been a material adverse change in the Purchased Assets or any of Sellers' Businesses. If there has been such a change, Buyer's remedy shall be termination of this Agreement and full return of the Deposit.

(ii) Title --

(A) Sellers have good, marketable and exclusive title to and undisputed possession of all of their respective real and tangible personal property and improvements included among the Purchased Assets, and subject to the obtaining of the Sale Order, free and clear of all (1) claims (including claims of taxing authorities ("Tax Authority Claims"), other than those claims that are not yet due or delinquent), liens and encumbrances, including Tax Authority Claims, and (2) claims, liens and encumbrances based on rights of setoff or recoupment (collectively, "Liens").

(B) The real and tangible personal property and improvements included among the Purchased Assets that are of an insurable character are and

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will be insured through the Closing Date in amounts adequate to replace or repair any casualty or other physical loss to any of such Purchased Assets.

(iii) Sellers have given Buyer access to copies of all written contracts, leases, agreements and other commitments which are Known to Sellers to constitute or evidence the Assigned Contracts and Leases. Except as set forth on Schedule 3.2(d)(iii) attached hereto, the Assigned Contracts and Leases are not subject to any oral agreements, modifications, addenda or other understandings of any kind or nature.

(iv) Schedule 3.2(d)(iv) sets forth a description of all employee benefit programs and plans maintained with respect to the employees of Sellers, including, but not limited to, group health and accident coverage and vacation and sick pay policies, and all contracts and understandings with employees, whether written or oral. As of the Closing, Sellers will have no severance obligations or other employee benefit obligations of any nature with respect to their employees other than as disclosed in Section 1.5 or in Schedule 3.2(d)(iv).

(v) Environmental --

Except as set forth on Schedule 3.2(d)(v) attached hereto, no Hazardous Substances (as defined below):

(1) have been disposed of or otherwise released from any of Sellers' facilities (collectively, the "Business Properties" and individually, a "Business Property") by Sellers in material violation of any Applicable Environmental Laws or which violation would have a material adverse effect on any of the Businesses; or

(2) are present on, over, beneath, in or upon a Business Property or any portion thereof in quantities that would constitute a violation of any Applicable Environmental Laws. No prior use by any Sellers of any Business Property has occurred that materially violates any "Applicable Environmental Laws" as defined below or which violation would have a material adverse effect on any of the Businesses. The terms "Hazardous Substance", "release", "solid waste" and "disposal" (or "disposed") each shall have the meanings specified in the Comprehensive Environmental Response Compensation and Liability Act, as amended, the Resource Conservation and recovery Act, as amended, the Toxic Substances Control Act, the Clean Air Act, the Clean Water Act and any other federal, state or local law, ordinance, code, rule, regulation, order or decree relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste or material, as now in effect (the "Applicable Environmental Laws").

Except as set forth on Schedule 3.2(d)(v) attached hereto, Sellers have not, and do not know of any other person or entity which has stored, treated, recycled, disposed of or otherwise located on, or adjacent to (in violation of any Applicable Environmental Laws), any Business Property any Hazardous Substance, including, without limitation, such substances as asbestos and polychlorinated biphenyls.

Except as set forth on Schedule 3.2(d)(v) attached hereto, none of the Business Properties are on any federal or state "Superfund" list or Liability Information System

("CERCLIS") list or any state environmental agency list of sites under consideration for CERCLIS, nor subject to any environmental related liens.

(e) Non-Contravention. The execution and delivery of this Agreement by Sellers does not, and the consummation by Sellers of the transactions contemplated hereby will not, violate or result in a violation, with or without the giving of notice or the lapse of time or both, constitute a default under, or accelerate or augment the performance otherwise required under, result in the breach of any term or provision of, the Articles of Incorporation or Bylaws or other charter documents of any Sellers, or any mortgage, indenture, Lien, lease, agreement (including, without limitation, any loan agreement or promissory note), license, instrument, law, permit, concession, franchise, ordinance, rule, regulation, statute, order, decree, arbitration award, judgment or decree to which any Sellers or any of its properties or assets (real, personal or mixed, tangible or intangible) are bound, except to the extent that such violation, default, acceleration, augment or breach is superceded by the Sale Order or the Bankruptcy Code.

(f) Legal.

(i) Compliance with Laws. Except as set forth on Schedule 3.2(f)(i), to the Knowledge of Sellers, each Seller has operated its Business in compliance with all federal, state, regional, local, or foreign laws, rules, statutes, ordinances, rules, orders or regulations (the "Laws"), including, without limitation, Applicable Environmental Laws and any anti-discrimination, wage, hour, working condition, payroll withholding, pension, building, zoning or Tax Laws, except where the failure to comply with which would not have a material adverse effect on any of the Businesses to be conducted by Buyer, or on the Purchased Assets, following the Closing. There have been no written allegations of or inquiries concerning any violations of Law by any Sellers in respect of the operation of its Business within the past eighteen (18) months.

(ii) Permits. Set forth in Schedule 3.2(f)(ii) is a list of all material permits used by each Seller in the operation of its Business (collectively, the "Sellers Permits") and each Seller has operated its Business in compliance with such Sellers Permits. To the Knowledge of Sellers, no proceeding is pending to revoke or limit any of Sellers' Permits or otherwise impose any conditions or obligations on the possession or transfer of any of them, and to the Knowledge of Sellers, there is no proceeding which has been threatened by any Governmental Entity which would have such an effect.

(iii) Litigation. Except for Sellers' existing chapter 11 filings or except as described on Schedule 3.2(f)(iii), (A) to the Knowledge of Sellers, no litigation or administrative proceeding involving any Sellers or relating to its Business is pending and, to the Knowledge of Sellers, no material litigation or administrative proceeding has been threatened in the past year; (B) to the Knowledge of Sellers, no investigation or proceeding has been threatened in writing by any Governmental Entity during the twelve (12) month period immediately preceding the date hereof; and (C) to the Knowledge of Sellers, no arbitration order or similar restriction is outstanding against or relating to Sellers, the Businesses or the Purchased Assets.

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(g) Insurance. Schedule 3.2(g), lists all insurance policies currently maintained by Sellers and identifies for each such policy the underwriter and coverage type, with policy limits and deductibles.

(h) Brokers and Investment Advisors. Other than Murphy Noell Capital, LLC, no broker, finder or investment adviser is entitled to any commission, financial advisory, brokerage, finder's fee or other similar compensation arrangement from Sellers in connection with the transactions contemplated hereby.

(i) Major Asset List. Schedule 3.2(i) lists all of the material tangible assets of Sellers included in the Purchased Assets at a cost in excess of $10,000. Included in the Purchased Assets are all those assets which are used or held for use by Sellers to operate the Businesses.

ARTICLE IV
OVERBID AND COURT APPROVAL COVENANTS

4.1 363 Motion. Sellers shall file a motion (the "363 Motion") to obtain from the Court (a) on an expedited basis, a bidding procedures order (the "Bidding Procedures Order") or in form and substance reasonably acceptable to Buyer and Sellers, providing, among other things, for the break-up fee described in Section 4.2 below, and sale/auction procedures, including minimum overbid requirements, and (b) approval of the transactions contemplated hereby.

4.2 Break-Up Fees; Overbid Requirements.

(a) Fee. The Bidding Procedures Order will provide, among other things, that, in the event that any or all of the Purchased Assets are sold to one or more third parties and Buyer did not default on its obligations under this Agreement, Buyer will be entitled to a break-up fee of $305,000 (the "Break-Up Fee"), and that such obligation shall constitute an allowed claim against Sellers under Sections 503 and 507(a) of the Bankruptcy Code. Such amount will be paid to Buyer on the earlier of (a) the consummation of one or more transactions involving the sale of all or any of the Purchased Assets (such amount to be paid out of and from the proceeds of such sale), or (b) the confirmation of a plan of reorganization for Sellers. The Break-Up Fee, when paid will satisfy in full any obligations of Sellers or their affiliates to Buyer in connection with the transactions contemplated hereby.

(b) Overbid. In addition, the Bidding Procedures Order will provide minimum overbid requirements of (i) $455,000 over $6,100,000 for the initial bid and (ii) $150,000 over the then-highest bid for any additional bids. The Bidding Procedures Order also will provide that, for the purpose of determining which bid is the highest and best offer, an amount equal to the Break-Up Fee shall be added to Buyer's bid. Other auction requirements to be approved by Buyer, which approval shall not be unreasonably withheld, in advance of the filing of the 363 Motion shall include requirements regarding the ability of any potential bidders to consummate an alternative transaction, the nonexistence of financing and due diligence

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conditions and the requirement that all competing bids be on terms and conditions substantially similar to the terms and conditions set forth in this Agreement.

(c) Qualifying Bidder. In order to qualify to bid competitively ("Initial Overbid"), a competing bidder for the assets which are the subject of this Agreement shall:

(i) Provide a deposit, by wire transfer or cashier's check, of $500,000 not later than two (2) days prior to the auction date set for hearing on the sale outlined herein;

(ii) Provide evidence, in the form of a letter of credit, non-contingent commitment from a recognized lending institution or substantial equivalent thereof, of such competing buyer's ability to close the transaction; and

(iii) Provide by two (2) days prior to the sale contemplated hereunder for the execution of an asset purchase agreement substantially similar to the within Agreement, save and except for the identity of the buyer.

(d) If Buyer terminates this Agreement due to Sellers' inability to perform or otherwise deliver clear and marketable title to the assets to be purchased hereunder, and a material portion of the Purchased Assets are sold within twelve (12) months following such termination by Buyer, Buyer shall be entitled to receive the Break-Up Fee.

4.3 Court Approval. Buyer's and Sellers' obligations to consummate the Closing will be conditioned upon (a) the entry by the Court of an order in a form reasonably acceptable to Buyer and Sellers (the "Sale Order") approving the transactions contemplated hereby and the terms and conditions of this Agreement; extending the time in which Sellers may assume or reject the lease, which is subject to that certain sublease (the "Sublease") made as of September 16, 2002, of the property located at 601 Walnut Street, Compton, California until and through the later of June 30, 2003, and, to the extent permitted by the Court, such other contracts and leases as Buyer shall, on or before December 6, 2002, designate to Sellers (the "Unassigned Real Property Leases"); containing a determination with respect to the amounts and other consideration that pursuant to Bankruptcy Code section 365(a), as of the Closing Date, will be required to cure any default on the part of Sellers under the Assigned Contracts and Leases or that will be otherwise due to the parties under the Assigned Contracts and Leases, which amounts or other consideration must be delivered to the nondebtor parties under the Assigned Contracts and Leases, or with respect to which adequate assurance of prompt delivery must be provided, as a prerequisite to the assumption of such Assigned Contracts and leases under Bankruptcy Code section 365(b); and finding that (i) notice of the hearing concerning approval of the transactions contemplated hereunder was given in accordance with the Bankruptcy Code and constitutes such notice as is appropriate under the particular circumstances under the Bankruptcy Code and in accordance with any other applicable Law, (ii) Sellers have the legal right and capacity to convey all right, title and interest of Sellers in and to the Purchased Assets and that Buyer is a good faith Buyer entitled to the protections afforded by Bankruptcy Code Section 363(m), providing for the sale of the Purchased Assets free and clear of all Liens, other than the Assumed Liabilities and any other liabilities assumed by Buyer under this Agreement, with such Liens to attach to the consideration to be received by Sellers in the same priority and subject to the same defenses and avoidability, if any, as before the Closing, (iii) at Buyer's

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election, Buyer and Sellers are authorized to enter into a Use and Occupancy Agreement substantially in the form attached as Exhibit B with respect to each Unassigned Real Property Lease, and (iv) Buyer is only buying the Purchased Assets and is not a successor-in-interest to Sellers and that Buyer's acquisition of the purchased Assets does not reflect a substantial continuity of the operation of Sellers' Businesses, and (b) the passage of eleven (11) days following the entry of the order approving the sale contemplated hereunder without any stay of the Sale Order or any injunction against the performance of the parties' obligations hereunder; provided that Buyer and Sellers may jointly elect to waive the condition specified in this Section 4.3(b) and proceed to the Closing before the passage of eleven (11) days.

4.4 Multiple Offers. Notwithstanding the provisions of this Agreement to the contrary, Buyer acknowledges and agrees that Sellers may determine in their sole discretion to sell, deliver, assign, transfer and convey the assets and assign the liabilities of their respective Businesses in a single transaction to a third party or in multiple transactions to third parties.

4.5 Cooperation. Buyer shall take all such further action, as shall be reasonably requested by Sellers, to provide the Court with evidence of adequate assurance by Buyer of Buyer's future performance under the Assigned Contracts and Leases, and to otherwise perform and discharge the Assumed Liabilities, and evidence that Buyer has sufficient cash to fulfill its obligations under this Agreement. In addition, Buyer shall take all such further action, as shall be reasonably requested by Sellers, and Sellers shall take all such further action as shall be reasonably requested by Buyer, to obtain the approval of the Bidding Procedures Order and the Sale Order.

ARTICLE V
ADDITIONAL COVENANTS AND AGREEMENTS

5.1 Operation in the Ordinary Course of Business. Except as contemplated by this Agreement, during the period from the date hereof to the Closing Date, each Sellers will conduct its Businesses according to the ordinary and usual course of Business consistent with past practice, consistent with Sellers' policies and subject to the restrictions imposed upon Sellers by the Court, the Bankruptcy Code, the rules promulgated or adopted under the Bankruptcy Code, and other applicable Laws. In addition, Sellers hereby covenant that during the time frame beginning on the date of execution of this Agreement through the Closing Date:

(a) Access. Buyer and its authorized representatives, upon reasonable prior notice to Seller, shall have reasonable access during normal business hours to the Businesses and to Sellers' employees and may examine all operations, equipment, properties and other assets, logs, books, relevant records, contracts and documents of Sellers pertinent to the Purchased Assets; provided, that in each instance, mutually satisfactory arrangements shall be made in order to avoid interruption and interference with Sellers' operation of their Businesses.

(b) Operations in the Ordinary Course. Until the Closing, Sellers shall:

(i) except as otherwise required, authorized or restricted pursuant to an order of the Court (including without limitation an order pertaining to Sellers' debtor-in-

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possession financing (the "DIP Financing Order")), pay all Sellers' post-petition obligations in a timely manner;

(ii) exercise reasonable best efforts to preserve the Purchased Assets;

(iii) keep all books and accounts, records and files in the ordinary course of business consistent with past practices; and

(iv) promptly notify Buyer of any material action against Sellers with respect to the Purchased Assets in any court, or any material action against Sellers with respect to the Purchased Assets before any governmental agency, and of any administrative or court order relating to the Purchased Assets.

(c) Transfers, Termination and Renewals Pending Closing. Other than regular sales of inventory under usual terms and in the ordinary course of business, Sellers shall not sell, lease or otherwise dispose of, mortgage, hypothecate or otherwise encumber any of the Purchased Assets. Sellers shall not amend, terminate or renew any of the Assigned Contracts and Leases. Sellers shall not make any unusual or extraordinary efforts to collect any outstanding accounts receivable, shall not give any discounts or concessions for early payment of such accounts receivable other than the usual discounts given by the Businesses prior to the bankruptcy filing, which were usually in the range of 2% to 5% in return for early payment, and shall not make any sales of, or convey any interest in, any account receivables to any third party.

(d) Maintenance. To the extent permitted by the DIP Financing Order, and other court orders and Laws applicable to Sellers, Sellers shall use their reasonable best efforts to maintain and repair the tangible Purchased Assets in a manner consistent with Sellers' past practices.

(e) Compliance with Laws. Sellers shall use their reasonable best efforts to comply in all material respects with all applicable Laws as may be required for the valid and effective transfer of the Purchased Assets as contemplated by this Agreement.

(f) Further Actions. Sellers will use their reasonable best efforts to:

(i) maintain insurance upon all of the tangible Purchased Assets which are of an insurable character insured by financially sound and reputable insurers against such hazards, risks and liabilities in amounts and of such kinds customarily insured against by businesses involved in the ownership and operation of the Businesses; and

(ii) except as set forth on Schedule 5.1(f), without the prior written consent of Buyer, not increase the rates of direct or bonus compensation payable or to become payable to any of their employees, except in accordance with the existing terms of contracts entered into or policies in effect prior to the date of this Agreement and except in accordance with the terms of a one-time bonus plan covering certain employees of Sellers.

5.2 Regulatory Consents, Authorizations, etc. In addition to the provisions of Article IV, each party hereto will use its reasonable best efforts to obtain all Consents of, and make all filings and registrations with, any Governmental Entity or any other person required for or in

connection with the consummation of the transactions contemplated hereby and will cooperate fully with the other parties in assisting them to obtain such approvals and to make such filings and registrations. No party hereto will take or omit to take any action for the purpose of delaying, impairing or impeding the receipt of any required consent, authorization, order or approval or the making of any required filing or registration.

(a) Expenses. Each party agrees to pay all of its own fees, costs and expenses (including, without limitation, those of advisors, financial advisors, lawyers or accountants) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated hereby. Nothing in the preceding sentence shall affect any party's rights to obtain collection and litigation costs (including attorneys' fees) pursuant to Section 10.3. Sellers shall be solely responsible and shall hold Buyer harmless from any claim for any broker's success or similar fee payable to Murphy Noell Capital, LLC with respect to the transaction contemplated by this Agreement. Buyer shall be solely responsible and shall hold Sellers harmless from any claim for any (i) broker's success or similar fee payable to or claimed by any person due to Buyer's actions with respect to the transactions contemplated by this Agreement, and (ii) all reasonable fees payable to the Escrow Agent.

(b) Buyer's Obligations. From and after the Closing, Buyer will hold, and will cause its affiliates to hold, in strict confidence, and will not use to the detriment of any Sellers any confidential or proprietary information of Sellers that is not related to the Purchased Assets. Notwithstanding the foregoing, Buyer or any of Buyer's affiliates (a "Disclosing Party") may disclose such information (i) if the Disclosing Party is compelled to disclose the same by judicial or administrative process or by other requirements of Law (but subject to the following provisions of this Section 5.2(b)), (ii) if the same hereafter is in the public domain through no fault of the Disclosing Party, or (iii) if the same is later acquired by the Disclosing Party from another source and the Disclosing Party is not aware, after due inquiry, that such source is under an obligation to another person to keep such information confidential. If the Disclosing Party is requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand, rule of civil procedure or other similar process) to disclose any such information, the Disclosing Party shall provide Sellers with prompt written notice of any such request or requirement so that Sellers may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Section. If, in the absence of a protective order or other remedy or the receipt of a waiver by Sellers, the Disclosing Party nonetheless, based on the written advice of counsel, is required to disclose such information to any tribunal or else stand liable for contempt or suffer other censure or penalty, the Disclosing Party, without liability hereunder, may disclose that portion of such information which such counsel advises the Disclosing Party it is legally required to disclose.

(c) Litigation. Nothing in this Section 5.2 shall limit the rights of the parties to disclose or use any confidential or proprietary information of the other parties in connection with any legal action arising out of or in connection with this Agreement.

5.3 Publicity. Until the Closing Date, each party hereto agrees not to issue any press release or public statement with respect to the transactions contemplated hereby, except as may be required by Law, in which event such press release or public statement shall be made only after notice to Sellers or Buyer, as the case may be.

5.4 Utilities, Rent and Operating Expenses. Buyer shall bear the cost of all utilities expenses and operating expenses incurred in the ordinary course of business (including but not limited to rent, telephone, gas and electric expenses) of Sellers' Businesses at the real properties listed on Schedule 5.4 attached hereto incurred on and after the Closing Date. Sellers shall bear such costs up to but not including the Closing Date. During the "Use Period" under the Use and Occupancy Agreement attached hereto as Exhibit B, these costs will be borne by Buyer in accordance with that agreement, and thereafter, these costs will be borne directly by Buyer. For any such costs that cannot be specifically identified as accruing on a particular date, such costs shall be allocated between Buyer and Sellers in proportion to the number of days in the relevant billing period.

5.5 Purchase Price Allocation.

(a) Procedure. Buyer shall determine, and shall notify Sellers of the same within fifteen (15) days following the Closing Date, (i) the amount of the total consideration transferred by Buyer in exchange for the Purchased Assets, which amount will consist of the Purchase Price plus the amount of the Assumed Liabilities, and (ii) the allocation of such total consideration among the Purchased Assets and Assumed Liabilities in accordance with their relative fair market values in the manner required by Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"), the regulations thereunder and any applicable provisions of any other Law. Sellers shall notify Buyer of any objection within thirty (30) days following receipt of such allocation. In any event, the allocation shall be agreed to between the parties by no later than sixty (60) days after the Closing Date.

(b) Tax Filings. Buyer and Sellers agree to act in accordance with the allocations as finally determined pursuant to Section 5.5(a) in any relevant Tax returns, including any such Tax returns required to be filed pursuant to Section 1060 of the Code, the regulations promulgated thereunder or any provisions of other Law (including IRS Form 8594), and to cooperate in the preparation of any such Tax returns and to file timely such Tax returns in the manner required by applicable Law.

5.6 Non-Solicitation. From the date hereof to the earlier of (a) the approval of the Bidding Procedures Order or (b) termination of this Agreement pursuant to Section 7.1, Sellers shall not solicit nor have any discussions or negotiations with any party other than Buyer with respect to the transfer of all or substantially all of the Businesses. Upon approval of the Bidding Procedures Order, any such solicitation, discussion or negotiation shall be in conformity with the terms of the Bidding Procedures Order. The foregoing shall not be construed to prohibit Sellers from complying with the requirements of the Bankruptcy Code.

5.7 Taxes. Buyer shall pay and be responsible for all state and local transfer, stamp and sales Taxes caused by the sale of assets to Buyer provided for in this Agreement.

5.8 Post-Closing Records. From and after the Closing Date, Sellers on the one hand and Buyer on the other hand shall afford each other and their respective counsel, accountants and other representatives reasonable access to Records in respect of the Businesses which, after the Closing, are in the custody or control of the other party and which such party reasonably requires in order to comply with its obligations under Law, including, but not limited to, audits by Tax authorities, or which Buyer reasonably requires to comply with its material obligations under the Assumed Liabilities or the Assigned Contracts and Leases. Buyer will retain all Records that Buyer may have, if any, relating and material to the operation of the Businesses and the Purchased Assets prior to the Closing for a period of one (1) year after the Closing Date.

5.9 Names. Sellers will work with Buyer to transfer the Names to Buyer or entities designated by Buyer.

5.10 Dies and Molds. Sellers hereby represent and warrant that Schedule 5.10 attached hereto and incorporated herein, sets forth with respect to each mold and die used by the Sellers in the Businesses: (i) a description of the mold or die, (ii) the person or entity who owns such mold or die, (iii) the product or component of a product sold by Sellers that is produced in whole or in part by such mold or die, and (iv) if the mold or die is owned by a person or entity other than one of the Sellers, the terms under which products are produced for Sellers using the mold or die, which terms shall include pricing for any product produced under any agreement that has an unexpired term.

(b) For each mold or die that is owned by Sellers, but in the possession of a third party, (i) Sellers shall file as soon as possible a motion to obtain from the Court on an expedited basis, an order that Sellers have free and clear title to such molds and dies and that such dies and molds can be moved by Sellers without hindrance, and (ii) Sellers shall, at Sellers' option, either remove such dies and molds from the third party with possession thereof and assemble such dies and molds where Buyer reasonably requests or obtain an estoppel certificate, in form and substance reasonably acceptable to Buyer, from such third party acknowledging Sellers ownership thereof.

(c) Sellers hereby authorize Buyer to negotiate, and agree to assist Buyer in negotiating, before Closing, a vendor relationship reasonably acceptable to Buyer with each third party holding or owning molds or dies used in Sellers' Businesses.

5.11 Products Liability Insurance. Sellers shall name Buyer as an additional insured on its liability insurance policy to provide Buyer, to the extent possible, with the same products liability insurance coverage as Sellers have as of the date of this Agreement. Sellers shall consult with Buyer concerning the coverage and endorsements that are available under Sellers' existing policies, and Buyer and Sellers shall work together to obtain as much coverage as possible for Buyer with respect to products liability insurance.

5.12 Further Assurances. At any time and from time to time at or after the Closing, the parties agree to cooperate with each other, to execute and deliver such other documents, instruments of transfer or assignment, files, books and records and do all such further acts and things as may be reasonably required to carry out the transactions contemplated hereby.

ARTICLE VI
CONDITIONS TO THE CLOSING

6.1 Conditions to the Closing Relating to Buyer. Consummation of the transactions contemplated hereby is subject to the fulfillment to the reasonable satisfaction of Buyer, prior to or at the Closing Date, of each of the following conditions:

(a) Mutually Required Consents.

(i) The conditions set forth in Section 4.3 shall have been satisfied, provided, however, that a Cure Finding by the Court shall not be required as a condition to the Closing;

(ii) On the Closing Date, no injunctions, waiting periods or restraining order shall be in effect prohibiting the transactions contemplated hereby; and

(iii) Prior to the Closing Date, Sellers shall have obtained an order (which may be the Sale Order) authorizing the assumption by Sellers and assignment by Sellers to Buyer under Section 365(b) and Section 365(f) of the Bankruptcy Code of the Assigned Contracts and Leases; and

(b) Sellers' Consents. All Consents of and filings and registrations with any Governmental Entity (other than those set forth in Section 4.3) or any other person which any Sellers must obtain shall have been obtained or made on or prior to the Closing Date.

(c) Sellers' Representations. The representations and warranties of Sellers contained in this Agreement shall be true and correct in all material respects at the date hereof and as of the Closing Date, except for changes specifically provided for in this Agreement, with the same force and effect as if made at and as of the Closing Date; and Sellers shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by Sellers at or prior to the Closing Date.

(d) Material Adverse Change. No material adverse change shall have occurred in the Purchased Assets or any of the Businesses from the date of this Agreement.

(e) Delivery of Documents. The documents described in Section 2.5(b) of this Agreement to be delivered by Sellers shall have been delivered by Sellers.

(f) Use and Occupancy Agreement. Prior to the Closing Date, Sellers shall have obtained an order, which may be the Sale Order, authorizing Sellers to enter into, and approving, the Use and Occupancy Agreement in substantially the form attached hereto or as may be mutually agreeable to the parties for the Unassigned Real Property Leases.

(g) INTENTIONALLY DELETED.

(h) Sellers shall tender to Buyer a form of Bill(s) of Sale as are found attached hereto as Exhibit C and fully incorporated herein by this reference.

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6.2 Conditions to the Closing Related to Sellers. Consummation of the transactions contemplated hereby is subject to the fulfillment to the reasonable satisfaction of Sellers, prior to or at the Closing Date, of each of the following conditions:

(a) Mutually Required Consents.

(i) The conditions set forth in Section 4.3 shall have been satisfied, provided, however, that a Cure Finding by the Court shall not be required as a condition to the Closing;

(ii) On the Closing Date, no injunctions, waiting periods or restraining order shall be in effect prohibiting the transactions contemplated hereby; and

(iii) Prior to the Closing Date, Sellers shall have obtained an order (which may be the Sale Order) authorizing the assumption by Sellers and assignment by Sellers to Buyer under Section 365(b) and Section 365(f) of the Bankruptcy Code of the Assigned Contracts and Leases; and

(b) Sellers' Consents. All Consents of and filings and registrations with any Governmental Entity (other than those set forth in Section 4.3) or any other person which any Sellers must obtain shall have been obtained or made on or prior to the Closing Date.

(c) Buyer's Consents. All Consents of and filings and registrations with any Governmental Entity (other than those set forth in Section 4.3) or any other person, necessary for Buyer to be able to consummate the Agreement, which Buyer must obtain shall have been obtained or made on or prior to the Closing Date.

(d) Buyer's Representations. The representations and warranties of Buyer contained in this Agreement, which effect Buyer's ability to fund the transaction or perform its obligations herein, shall be true and correct in all material respects at the date hereof and as of the Closing Date, except for changes contemplated by this Agreement, with the same force and effect as if made at and as of the Closing Date; and Buyer shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by it at or prior to the Closing Date.

(e) Cure Payment. Simultaneously with the Closing, and consistent with the provisions of Section 1.3(c), Buyer shall have tendered the amounts and other consideration due the parties under the Assigned Contracts and Leases as a prerequisite to the assumption of such Assigned Contracts and Leases pursuant to Section 365(b) of the Bankruptcy Code as set forth in the Sale Order and subject to Section 1.3(c).

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ARTICLE VII
TERMINATION

7.1 Termination. This Agreement shall be terminated upon the occurrence of any of the following (unless Sellers and Buyer jointly agree in writing to extend any deadline specified herein):

(a) at Buyer's election, if the Court shall not have approved the Bidding Procedures Order within seven (7) court days after the date hereof;

(b) at Buyer's election, if the Court shall not have entered the Sale Order on or before December 26, 2002;

(c) at Sellers' election, if any of the conditions set forth in Sections 6.2(c) and 6.2(d) shall not have been complied with or performed and such noncompliance or nonperformance shall not have been cured or eliminated (or by its nature cannot be cured or eliminated) by Buyer on or before December 27, 2002;

(d) at Buyer's election, if any of the conditions set forth in Sections 6.1(b), 6.1(c) and 6.1(d) shall not have been complied with or performed and such noncompliance or nonperformance shall not have been cured or eliminated (or by its nature cannot be cured or eliminated) by Sellers on or before December 27, 2002;

(e) by either Sellers on the one hand or Buyer on the other hand, if there has been a material breach hereof on the part of the other party hereto; or

(f) (i) by the mutual written agreement of Buyer and Sellers, or (ii) if the transaction contemplated hereby is not consummated by December 27, 2002 (unless extended by the mutual written consent of the parties hereto).

7.2 Effects of Termination. Subject to Section 4.2 and Section 7.3, in the event of the termination and abandonment of this Agreement, the parties' obligations hereunder shall terminate, this Agreement shall thereafter become void and have no effect and no party hereto shall have any liability to the other party hereto or their respective stockholders or directors or officers in respect thereof, except that nothing herein will relieve any party from liability for any breach of this Agreement prior to such termination other than as specifically set forth above.

7.3 Deposit Refund. In the event of the termination of this Agreement, the Deposit (together with any accrued interest therein) shall be refunded to Buyer if: (a) this Agreement shall have been terminated by Buyer pursuant to Sellers' breach as set forth in Section 7.1(c); (b) termination of this Agreement is due to the failure of some or all of the conditions set forth in Section 4.3 (relating to the Sale Order and the absence of a stay or injunction thereof) to occur , notwithstanding Buyer's full cooperation in connection therewith; (c) termination of this Agreement is pursuant to Sections 7.1(a), 7.1(b), 7.1(c), 7.1(d) or 7.1(f); (d) termination of this Agreement is due to there having been a material adverse change in the Purchased Assets or any of the Businesses; or (e) in the event Buyer is not the successful bidder at the bankruptcy sale of the Purchased Assets in accordance with the Bidding Procedures Order and such transaction with the successful bidder is consummated. THE DEPOSIT AMOUNT SHALL BE IN ADDITION

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TO ANY OTHER DAMAGES OR CLAIMS THAT SELLERS MAY HAVE AGAINST BUYER PURSUANT TO THE PROVISIONS OF THIS AGREEMENT. If the Deposit is to be refunded by Sellers to Buyer, same shall be paid by a wire transfer to a bank account designated in writing by Buyer within two (2) business days following Buyer's designation of such bank account.

ARTICLE VIII
INDEMNITY

8.1 Non-Survival of Sellers' Representations and Warranties. Sellers' representations, warranties and covenants shall not survive the Closing and shall be deemed waived at Closing except with respect to determining rights to the Escrowed Funds and for the covenants contained in Articles V, IX and X and Sections 1.3, 1.4, 1.5, 2.3 and 2.4, each which shall survive the Closing indefinitely.

8.2 Indemnification by Buyer. Buyer agrees to indemnify and hold harmless Sellers and their respective officers, directors, employees and agents (individually, a "Sellers Indemnified Party"), for any and all damages, losses, claims, liabilities, demands, charges, suits, penalties, costs or expenses, whether accrued, absolute, contingent or otherwise, sustained, suffered or incurred by a Sellers Indemnified Party and caused by reason of (i) any breach of any representation, warranty, covenant or undertaking made by Buyer pursuant to this Agreement (provided that with respect to counsel's fees such losses must be reasonable), (ii) any liabilities, obligations and commitments of, or claims against, Buyer, including, but not limited to, Buyer's assumption of the Assumed Liabilities, directly related to the Purchased Assets acquired by Buyer and Buyer's activities during any period after the Closing Date, and (iii) any act or omission of Buyer, any of its shareholders, or any of their respective agents or employees in connection with any services performed, any products sold, delivered or furnished or any contracts or claimed contracts with third parties directly related to the Purchased Assets acquired by Buyer and Buyer's actions during any period after the Closing Date.

ARTICLE IX
POST-CLOSING COVENANTS

9.1 Publicity. All public announcements (whether pre-Closing or post-Closing) relating to this Agreement or the transactions contemplated by this Agreement (the "Contemplated Transactions") will be made only as may be agreed upon by Sellers and Buyer or as required by Law. Sellers and Buyer will cooperate in the preparation of the text of any press release or public announcement pertaining to this Agreement or the Contemplated Transactions. If public disclosure or notice is required by Law, the disclosing party will use its best efforts to give the other party prior written notice of the disclosure to be made.

9.2 Expenses; Transfer Taxes. Except to the extent otherwise specifically provided in this Agreement, Buyer shall pay all of the fees and expenses incident to the Contemplated Transactions which are incurred by Buyer or its representatives (including all fees of finders,

attorneys or accountants retained by Buyer) and Sellers shall pay all of the fees and expenses incident to the Contemplated Transactions which are incurred by Sellers or their representatives (including all fees of finders, attorneys or accountants retained by Sellers).

9.3 Customer Payments.

(a) Sellers appoint Buyer, effective as of the Closing, the attorney of Sellers with full power of substitution, in the name of Buyer, or the name of any Sellers, on behalf of and for the benefit of Buyer, to collect all receivables and other items hereby transferred and assigned to Buyer, to endorse, without recourse, all checks in the name of any Sellers the proceeds of which Buyer is entitled to hereunder, to prosecute, in the name of such Sellers or otherwise, all proceedings which Buyer may deem proper to enforce any claim of any kind in or to the Purchased Assets, to defend and compromise all actions in respect of any of the Purchased Assets, and to do everything in relation thereto as Buyer may deem advisable. Sellers agree that the foregoing powers are coupled with an interest, shall be irrevocable, and shall not be affected by the dissolution of any Sellers or for any other reason. Each party further agrees that it shall retain for its own account any amounts collected in respect of any receivables or assets hereby retained by such party, and such party shall pay or transfer, with appropriate endorsements, to the other, as applicable, if and when received, any amounts or other property which shall be received by such party after the Closing in respect of any receivables or other assets or rights hereby transferred to the other party, as applicable, including, without limitation, any insurance proceeds (including proceeds for insurance claims and coverage described in Section 1.2(a)(xiii)) and will account to the other for all such receipts. Sellers further agree that, at any time and from time to time after the Closing, they will, upon the request of Buyer, do all such further acts as may be reasonably required to further transfer, assign and confirm to Buyer, or to aid and assist in the collection, gaining of possession by Buyer of or maintaining, any of the Purchased Assets, or to vest in Buyer good and marketable title to the personal property included in the Purchased Assets.

9.4 Tax Deposits. Sellers shall make all required deposits until Closing for all withholding, social security and unemployment insurance Taxes relating to Sellers Employees who become employees of Buyer and shall file timely quarterly and annual reports with respect to such Taxes in accordance with applicable Law. Additionally, Sellers must provide Buyer with copies of any or all of the Records referenced in Section 1.2(b)(vii), as requested by Buyer.

9.5 Restrictive Covenants.

(a) Noncompetition. Sellers covenant and agree that, until the second (2nd) anniversary of the Closing Date, each shall not, without the prior written consent of Buyer, either directly or indirectly, whether or not for consideration, (i) solicit business from, or compete with Buyer for any customer of the Businesses following the Closing Date, (ii) own, operate, control, finance, manage, advise, perform any consulting services for or invest in any Person which is engaged in the Business (a "Competitive Business"), or (iii) engage in any practice the purpose or effect of which is to intentionally evade the provisions of this covenant. Notwithstanding the foregoing, the provisions of this Section 9.5(a) shall not apply to any former employees, consultants or other professionals, including, but not limited to attorneys, accountants and investment bankers, of Sellers and any of their affiliates.

(b) Equitable Relief. Sellers agree that money damages alone will not be a sufficient remedy for any breach of the provisions of Section 9.5(a), and that in addition to all other remedies Buyer will be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach, and Sellers waive the securing or posting of any bond in connection with such remedy.

(c) Reformation of Agreement. If any of the covenants contained in Section 9.5(a), or any portion thereof, is found by a court of competent jurisdiction to be invalid or unenforceable as against public policy or for any other reason, such court shall exercise its discretion to reform such covenant to the end that Sellers shall be subject to nondisclosure, noncompetition, noninterference, or other covenants that are reasonable under the circumstances and are enforceable by Buyer. In any event, if any provision of Section 9.5 is found unenforceable for any reason, such provision shall remain in force and effect to the maximum extent allowable and all non-affected provisions shall remain fully valid and enforceable.

(d) Reasonableness of Terms. Sellers stipulate and agree that the covenants and other terms contained in Section 9.5 are reasonable in all respects, including time period, geographical area and scope of restricted activities, that Buyer would not have consummated the transactions contemplated by this Agreement had Sellers not agreed to these covenants, and that the restrictions contained herein are designed to protect Buyer and its purchase of the Businesses and ensure that Sellers do not engage in unfair competition against the Businesses.

9.6 COBRA Compliance. Sellers agree they will timely provide all notices required to be provided to any of Sellers' current employees, or the beneficiaries or dependents of such employees, under Part 6 of Subtitle B of Title I of ERISA or Section 498OB(f) of the Code (herein collectively referred to as "COBRA"), to the extent such notices of health benefit coverage are required to be provided by Law. Sellers agree that they are liable for the provision of continuation coverage under COBRA to any of Sellers' current employees, and the beneficiaries and dependents of such employees, who are not offered employment by Buyer at Closing or who do not actually become employees of Buyer at Closing, and to such other persons as may be required by Law.

ARTICLE X
MISCELLANEOUS

10.1 Severability. If any provision of this Agreement, including any phrase, sentence, clause, Section or subsection is inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever.

10.2 Notices. All notices, requests, demands, approvals, consents, waivers and other communications required or permitted to be given under this Agreement (each, a "Notice") shall be in writing and shall be (a) delivered personally, (b) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, (c) sent by next-day or overnight mail or

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delivery, or (d) sent by facsimile transmission, provided such transmission is confirmed mechanically.

(i) If to Buyer, to:

Berryman Products, Inc.
3800 E. Randol Mill Rd.
Arlington, TX 76011
Attn: Maurice Blankenship
Facsimile No.: (817) 640-4851

with a copy to:

Shannon, Gracey, Ratliff & Miller
1000 Ballpark Way, Suite 300
Arlington, TX 76011
Attn: Paul J. Johnson, Esq.
Facsimile: (817) 795-4864

(ii) If to Sellers or any of them, to:

Steel Horse Automotive Accessories, Inc.
601 W. Walnut Street
Compton, CA 90220-5223
Attn: Mark Barbeau, CEO and Dale Jabour, CFO
Facsimile No.: (310) 537-7348

with a copy to:

Riordan & McKinzie
300 S. Grand Avenue, Suite 2900
Los Angeles, CA 90071
Attn: Ronn S. Davids, Esq.
Facsimile: (213) 229-8550

and a copy to:

Klee, Tuchin, Bogdanoff, & Stern LLP
1880 Century Park East Suite 200
Los Angeles, CA 90067-1698
Attn: Lee R. Bogdanoff, Esq. and Mette H. Kurth, Esq.
Facsimile: (310) 407-9090

or, in each case, at such other address or facsimile number as may be specified in a Notice to the other party hereto. All Notices sent in accordance with this Section shall be deemed effective and given (A) upon delivery if personally delivered, (B) on the third day following deposit in the

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mail, if mailed, (C) on the next business day if sent by next-day or overnight mail or delivery, and (D) on the day of transmission, if sent by facsimile transmission.

10.3 Attorneys' Fees. If any party hereto initiates any legal action arising out of or in connection with this Agreement, the prevailing party or parties shall be entitled to recover from the non-prevailing party or parties all reasonable attorneys' fees, expert witness fees and expenses incurred by the prevailing party or parties in connection therewith, including, but not limited to, attorneys' fees to enforce any judgment rendered on this Agreement. This attorneys' fees provision shall survive any judgment rendered on this Agreement and shall not be deemed merged into any such judgment.

10.4 Headings. The headings contained in this Agreement are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

10.5 Entire Agreement. This Agreement (including the schedules and exhibits hereto) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

10.6 Counterparts. This Agreement may be executed (including by facsimile transmission) with counterpart signature pages or in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

10.7 Governing Law, etc. THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF. EACH SELLERS AND BUYER AGREE THAT ANY AND ALL ACTIONS TO INTERPRET OR ENFORCE THE PROVISIONS OF THIS AGREEMENT AND ANY OTHER DOCUMENTS REFERRED TO IN THIS AGREEMENT SHALL BE BROUGHT IN THE COURT, UNTIL SELLERS' CASES ARE CLOSED OR DISMISSED, AND THEREAFTER IN THE COURTS OF THE STATE OF CALIFORNIA OR THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA LOCATED IN LOS ANGELES, CALIFORNIA. EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH COURTS, AND IRREVOCABLY WAIVES, AND AGREES NOT TO ASSERT, AS A DEFENSE IN ANY ACTION, SUIT OR PROCEEDING FOR THE INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT OR SUCH OTHER DOCUMENT THAT IT IS NOT SUBJECT THERETO OR THAT SUCH ACTION, SUIT OR PROCEEDING MAY NOT BE BROUGHT OR IS NOT MAINTAINABLE IN SAID COURTS OR THAT THE VENUE THEREOF MAY NOT BE APPROPRIATE OR THAT THIS AGREEMENT OR ANY SUCH OTHER DOCUMENT MAY NOT BE ENFORCED IN OR BY SAID COURTS. EACH SELLERS AND BUYER HEREBY CONSENTS TO AND GRANTS ANY SUCH COURT JURISDICTION OVER THE PERSON OF SUCH PARTIES AND OVER THE SUBJECT MATTER OF ANY SUCH DISPUTE AND AGREES THAT MAILING OF PROCESS OR OTHER PAPERS IN CONNECTION WITH ANY SUCH ACTION OR PROCEEDING IN THE MANNER PROVIDED IN SECTION 10.2, OR IN SUCH OTHER MANNER AS MAY BE PERMITTED BY LAW, SHALL BE VALID AND SUFFICIENT SERVICE THEREOF.

10.8 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns.

10.9 Assignment. This Agreement shall not be assignable or otherwise transferable by Buyer on the one hand or Sellers on the other hand without the prior written consent of the other, except that Buyer may assign all of its rights and obligations hereunder to another entity that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, Berryman Products, Inc. without any such consent, but no such assignment shall relieve Buyer of its obligations hereunder, including, but not limited to, with respect to the Assumed Liabilities.

10.10 No Third Party Beneficiaries. Except as provided in Section 8.2 with respect to indemnification of indemnified parties hereunder, nothing in this Agreement shall confer any rights upon any person other than the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

10.11 Amendment; Waivers, etc. No discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. No amendment or modification of this Agreement shall be effective unless in a writing executed by all the parties hereto.

10.12 Completion of Schedules and Exhibits. Any schedule or exhibit referenced herein that is not attached hereto as of the signing of this Agreement must be completed by December 6, 2002, and shall be subject to the reasonable approval of Buyer.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BERRYMAN PRODUCTS, INC.

By: _____
Name: Maurice Blankenship
Title: President

STEEL HORSE HOLDINGS, INC.

By: _____
Name: _____
Title: _____

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Name: _____
Title: _____

MID-AMERICA AUTOMOTIVE, INC.

By: _____
Name: _____
Title: _____

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BERRYMAN PRODUCTS, INC.

By: _____
Name: _____
Title: _____

STEEL HORSE HOLDINGS, INC.

By: Mark Barbeau
Name: Mark Barbeau
Title: President + CEO

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: Mark Barbeau
Name: Mark Barbeau
Title: President + CEO

MID-AMERICA AUTOMOTIVE, INC.

By: Mark Barbeau
Name: Mark Barbeau
Title: President + CEO

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EXHIBIT A

SECTION 2.3 ESCROW AGREEMENT

SECTION 2.3 ESCROW AGREEMENT, dated as of November 27, 2002 (this "Agreement"), by and among Steel Horse Holdings, Inc., a Delaware corporation, Steel Horse Automotive Accessories, Inc., a California corporation, and Mid-America Automotive, Inc., an Oklahoma corporation (collectively, the "Sellers"), Berryman Products, Inc., a Texas corporation (the "Buyer"), and Byron Z. Moldo, as Escrow Agent (the "Escrow Agent"). Capitalized terms used herein which are not otherwise defined shall have the respective meanings ascribed thereto in the Purchase Agreement (as defined below).

RECITALS

WHEREAS, the Sellers, have entered into an agreement to sell substantially all of their assets to the Buyer (the "Transaction");

WHEREAS, pursuant to the Transaction, the Sellers executed an asset purchase agreement, dated as of November 27, 2002 (the "Purchase Agreement"), a copy of which is attached hereto, with the Buyer which provides, among other things, that the Buyer shall place $650,000 in escrow (the "Escrow Amount") with the Escrow Agent;

WHEREAS, the Sellers and the Buyer desire that the Escrow Amount should be held in escrow until released in accordance with the terms of this Agreement; and

WHEREAS, the Sellers and the Buyer desire that Byron Z. Moldo act as escrow agent to hold the Escrow Amount in escrow, under the terms of this Agreement.

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

1. Appointment. The Sellers and the Buyer hereby appoint and designate the Escrow Agent, and the Escrow Agent agrees to serve, as escrow agent for the purposes set forth herein.

2. Escrow. The Escrow Agent agrees to receive, as escrow agent, and hold for the exclusive benefit of Buyer and Sellers, the Escrow Amount from the Buyer. The Escrow Agent shall deposit such funds into an interest bearing account at Bank of America, styled "Berryman Products Escrow Amount" (the "Escrow Deposit"), which shall be held in escrow, in accordance with the terms and provisions of this Agreement; provided that the interest on the Escrow Deposit shall accrue for the account of the Buyer and shall be distributed to the Buyer upon release of the Escrow Deposit pursuant to this Agreement. Promptly after establishing the Escrow Deposit, Escrow Agent shall provide to Buyer in writing the account number, depositary institution and style of the Escrow Deposit.

3. Release of Escrow Deposit. The Escrow Agent shall hold the Escrow Deposit until it delivers the Escrow Deposit as provided in this Section 3.

3.1 Notification and Action. The Escrow Agent shall not make any distributions of the Escrow Deposit upon the request of the Sellers and the Buyer except as specifically set forth below. Except as set forth in Section 3.2, the Escrow Agent shall only make a distribution of the Escrow Deposit or a portion thereof, upon (i) receipt of written instructions signed by the Buyer and a duly authorized officer of the Sellers (the "Written Instructions") or (ii) receipt of an order of a court of competent jurisdiction directing the distribution of the Escrow Deposit or a portion thereof, which order is not subject to stay (a "Court Order"). Within five (5) days after receipt by the Escrow Agent of the Written Instructions or the Court Order, the Escrow Agent shall deliver the Escrow Deposit or any designated portion thereof, to the party or parties in the manner set forth in the Written Instructions or in the Court Order, as the case may be.

3.2 Conflicting Notification; No Notification. In the event of conflicting instructions from the Buyer and a duly authorized officer of the Sellers, the Escrow Agent shall, in its sole and absolute discretion, continue to hold the portion of the Escrow Deposit which is the subject of such conflicting instructions until it shall receive a Court Order (in form and substance reasonably satisfactory to the Escrow Agent), directing it to deliver such portion of the Escrow Deposit in accordance with the terms of such court order, in which event the Escrow Agent shall deliver such portion of the Escrow Deposit in accordance therewith, or at any time after receipt of such conflicting instructions, deliver such portion of the Escrow Deposit into the control of a court of competent jurisdiction, in which event the Escrow Agent shall have no further obligations or responsibilities with respect thereto. If the Escrow Agent does not receive instructions from the Buyer and a duly authorized officer of the Sellers by January 15, 2003, then the Escrow Agent may deliver the Escrow Deposit into the control of a court of competent jurisdiction, in which event the Escrow Agent shall have no further obligations or responsibilities with respect thereto.

4. Fees and Expenses. The Escrow Agent shall (a) be paid a reasonable fee for its services under this Agreement as provided by Exhibit A and (b) be entitled to reimbursement for reasonable expenses (including the reasonable fees and disbursements of its counsel) actually incurred by the Escrow Agent in connection with its duties under this Agreement, which fees shall be borne by the Buyer. The fees of the Escrow Agent shall not exceed $1,500.00, unless conflicting instructions are received by the Escrow Agent or a controversy otherwise arises with respect to the Escrow Deposit.

5. Responsibilities of Escrow Agent. The Escrow Agent's acceptance of its duties under this Agreement is subject to the following terms and conditions, which shall govern and control with respect to its rights, duties, liabilities and immunities hereunder:

(a) The Escrow Agent makes no representations or warranties and has no responsibilities as to the correctness of any statement contained herein, and the Escrow Agent shall not be required to inquire as to the performance of any obligation under any agreement or document other than this Agreement.

(b) The Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, receipt or other paper or document from the Buyer and any officer or duly authorized agent of the Sellers, not only as to its due execution and the validity and

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effectiveness of its provisions, but also as to the truth of any information therein contained and what it purports to be. The Escrow Agent shall be entitled to rely upon any certification, instruction, notice or other writing delivered to it in compliance with the provisions of this Agreement without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity thereof. The Escrow Agent may act or fail to act in reliance upon any instrument comporting with the provisions of this Agreement or signature believed by it, without independent investigation, to be genuine and may assume that any person purporting to give notice or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorized to do so.

(c) The sole duty of the Escrow Agent, other than as herein specified, shall be to receive the Escrow Deposit and hold it subject to release, in accordance with the written instructions of the Sellers and the Buyer or as otherwise provided for herein, and the Escrow Agent shall be under no duty to determine whether the Sellers and/or the Buyer is complying with the requirements of the Purchase Agreement. No implied covenants or obligations shall be inferred from this Agreement against the Escrow Agent, nor shall the Escrow Agent be bound by the provisions of any agreement beyond the specific terms hereof. The Escrow Agent shall have no duties or responsibilities except those expressly set forth herein and shall neither be obligated to recognize nor have any liability or responsibility arising under any other agreement to which the Escrow Agent is not a party, even though reference thereto may be made herein. The Escrow Agent shall not be required to inquire as to the performance of any obligation under any agreement or document, including, without limitation, the Purchase Agreement or any agreements and documents referred to herein or therein nor shall the Escrow Agent be under any obligation to take any legal action in connection with this Agreement or towards its enforcement or performance or to appear in, prosecute or defend any action or legal proceeding in connection herewith.

(d) The Escrow Agent does not have any interest in the Escrow Deposit, but is serving as escrow holder only and has only possession thereof.

(e) The Escrow Agent shall not be liable for any error of judgment, or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, except as may result from its own gross negligence or willful misconduct.

(f) The Escrow Agent may consult with legal counsel selected by it (including any member of its firm), and shall not be liable for any action taken or omitted by it in accordance with the advice of such counsel.

(g) The Sellers and the Buyer agree to indemnify the Escrow Agent against and save it harmless from any and all claims, liabilities, costs, payments and expenses, including reasonable fees and expenses of counsel either paid to retained attorneys (who may be selected by the Escrow Agent) or amounts representing the fair value of legal services rendered to itself, incurred as a result of or in connection with the performance of this Agreement, except as a result of the Escrow Agent's own gross negligence or willful misconduct.

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(h) The duties of the Escrow Agent hereunder are solely ministerial in nature, and the Escrow Agent shall not have any liability under, or duty to inquire into, the terms and provisions of any other agreement or document.

(i) If any property held by the Escrow Agent hereunder shall be attached, garnished or levied upon under an order of court, or the delivery thereof shall be stayed or enjoined by any order of court, or any other writ, order, judgment or decree shall be entered or issued by any court affecting such property, or any part thereof, or any act of the Escrow Agent, then the Escrow Agent is hereby expressly authorized to use its sole discretion to obey and comply with all writs, orders, judgments or decrees so entered or issued, whether with or without jurisdiction, and in the case the Escrow Agent obeys and complies with any such writ, order, judgment or decree, it shall not be liable to any person, firm or corporation by reason of such compliance notwithstanding the fact that such writ, order, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

(j) The Escrow Agent may, at any time, resign and be discharged from its duties hereunder by providing written notice to the Sellers and the Buyer and depositing the Escrow Deposit with a successor escrow agent designated by the Sellers and the Buyer. Upon receipt of the Escrow Agent's resignation, the Sellers and the Buyer shall promptly appoint a successor escrow agent. If no successor shall have been appointed within ten (10) days after the mailing of notice of resignation by the Escrow Agent, then the Escrow Agent shall be entitled to deposit any or all of the Escrow Deposit with a court of competent jurisdiction.

6. Amendment and Termination. This Agreement may be amended or terminated only by a writing signed by the Escrow Agent, the Buyer and the Sellers. Once the Escrow Deposit has been fully distributed, this Agreement shall terminate and the Escrow Agent shall have no further duties or responsibilities hereunder; provided, however, that the fees and expenses provisions of Section 4 and the exculpatory and indemnification provisions of Section 5 shall survive termination.

7. Interpleading. Notwithstanding Section 3.2 hereof or anything to the contrary herein, at any time the Escrow Agent shall have the right, in its sole discretion, to deposit the Escrow Deposit with the United States Bankruptcy Court for the Central District of California (the "Bankruptcy Court"), in which event the Escrow Agent shall give written notice of such deposit to each of the other parties hereto. Upon such deposit, the Escrow Agent shall be relieved and discharged of all further duties and responsibilities with respect to the Escrow Deposit.

8. Notices. All notices, requests and other communications to any party hereunder shall be in writing (including telecopy, telex or similar writing) and shall be deemed given or made as of the date delivered, if delivered personally or by telecopy (provided that delivery by telecopy shall be followed by delivery of an additional copy personally, by mail or overnight courier), one day after being delivered by overnight courier or three days after being mailed by registered or certified mail (postage prepaid, return receipt requested), to the parties at the following addresses (or to such other address or telex or telecopy number as a party may have specified by notice given to the other party pursuant to this provision):

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If to the Sellers:

c/o Steel Horse Automotive Accessories, Inc.
601 W. Walnut Street
Compton, CA 90220-5223
Attn: Mark Barbeau, CEO and Dale Jabour, CFO
Facsimile No.: (310) 537-7348

If to the Buyer, to:

Berryman Products, Inc.
3800 East Randol Mill Road
Arlington, TX 76011
Attn: Maurice Blankenship
Facsimile No.: (817) 640-4851

With a copy to:

Shannon, Gracey, Ratliff & Miller, LLP
1000 Ballpark Way, Suite 300
Arlington, TX 76011
Attn: Paul J. Johnson

If to the Escrow Agent, to:

Mr. Byron Z. Moldo
1925 Century Park East, 16th Fl.
Los Angeles, CA 90067
Facsimile No.: (310) 551-0238

9. Miscellaneous. This Agreement shall be binding upon the successors and assigns of the parties hereto and shall inure to the benefit of and be enforceable by each of them and their respective permitted successors and assigns. The headings in this Agreement are for purposes of reference only and shall not limit or define the meaning hereof. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument. In the event that any provision of this Agreement shall prove to be invalid or unenforceable, such provision shall be deemed to be severable from the other provisions of this Agreement which shall remain binding on all parties hereto.

10. Governing Law: Consent to Jurisdiction. This Agreement shall be governed by the Bankruptcy Court pursuant to the Sellers' Chapter 11 case now pending before the Bankruptcy Court (the "Case"). Upon the dismissal of the Case, this Agreement shall be construed in accordance with, and governed by, the internal laws of the State of Delaware. Any legal action, suit or proceeding arising out of or relating to this Agreement may be instituted in the Bankruptcy Court, or upon dismissal of the Case, any state or federal court located within the County of Los Angeles, State of California, and each party hereto agrees not to assert, by way of motion, as a defense, or otherwise, in any such action, suit or proceeding, any claim that it is not

EXHIBIT 1 PAGE 47

subject personally to the jurisdiction of such court in an inconvenient forum, that the venue of the action, suit or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Each party hereto further irrevocably submits to the jurisdiction of any such court in any such action, suit or proceeding.

[Remainder of page intentionally left blank]

EXHIBIT 1
PAGE 48

IN WITNESS WHEREOF, the parties hereto have caused this Section 2.3 Escrow Agreement to be duly executed as of the date and year first written above.

BUYER

BERRYMAN PRODUCTS, INC.

By:_____
Name:_____
Title:_____

SELLERS

STEEL HORSE HOLDINGS, INC.

By:_____
Name:_____
Title:_____

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By:_____
Name:_____
Title:_____

MID-AMERICA AUTOMOTIVE, INC.

By:_____
Name:_____
Title:_____

ESCROW AGENT

_____
BYRON Z. MOLDO

EXHIBIT 1
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Exhibit A

PROFESSIONAL RATES

INITIALS	PROFESSIONAL NAME	HOURLY RATE
ATTORNEYS		
BZM	BYRON Z. MOLDO	$300.00
LEGAL ASSISTANTS		
JSE	JUDI S. EHRLICH	$140.00

RATES FOR REIMBURSEMENT OF EXPENSES

ITEM	RATE
PHOTOCOPYING	$ .15 PER PAGE -or- ACTUAL CHARGE FOR OUTSIDE SERVICE
TELECOPIER - INCOMING	$.10 PER PAGE
TELECOPIER - OUTGOING	$1.00 PER PAGE – LOCAL $1.50 PER PAGE – LONG DISTANCE $2.00 PER PAGE – INTERNATIONAL
MILEAGE	$ .39 PER MILE
WESTLAW/LEXIS/PACER	ACTUAL CHARGE
VELO BINDING	ACTUAL CHARGE

EXHIBIT 1
PAGE 50

EXHIBIT B

USE AND OCCUPANCY AGREEMENT

For Berryman Products, Inc. ("Buyer") to obtain certain of the benefits contemplated under the Asset Purchase Agreement, dated as of November 27, 2002[1] (the "Agreement"), by and among Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc. ("Seller"), Mid-America Automotive, Inc. and Buyer, Seller and Buyer, an unaffiliated entity that will operate Seller's Business after the Closing, have agreed to the following terms with respect to certain post-Closing matters related to Buyer's operations after the Closing Date:

Seller is currently using certain real property that is located at 601 Walnut Street, Compton, California (the "Premises") and that it leases pursuant to the Standard Industrial Multi-Occupancy Lease made as of October 28, 1994 by and between Lapco Industrial Parks and CDK, Inc., and as amended by the First Amendment to Lease made as of November 29, 2001 by and between Seller, as successor in interest to CDK, Inc., and AMB Property L.P., as successor in interest to Lapco Industrial Parks (as amended, the "Lease"). Seller is also the lessor with respect to a portion of the Premises subject to the Standard Sublease made as of September 16, 2002 by and between Seller and APM Components (USA), Inc. (the "Sublease"). Seller has neither assumed nor rejected the Lease or the Sublease in connection with the Case. Subject to the terms of this Use and Occupancy Agreement, Seller will make available to Buyer the Premises, subject to the Sublease, so that Buyer may use the Premises in the operation of its business after the Closing Date. Seller agrees to perform all of the obligations of the sublessor and enforce the obligations of the sublessee under the Sublease until the Termination Date. Seller agrees to apply promptly all amounts received under the Sublease to the obligations of the lessee under the Lease.

Buyer will be entitled to use the Premises, subject to the Sublease, during the period (the "Use Period") from the Closing Date through and including the date upon which the Sublease is terminated and the Lease is rejected by Buyer pursuant to an Order of the Court.

Buyer will promptly pay all amounts due and owing under the Lease with regard to periods of time after the Closing Date, net of any amounts paid to Seller under the Sublease, and it will otherwise discharge all obligations of Seller under the Lease with regard to periods of time after the Closing Date, until the first to occur of the following two dates (the "Termination Date"): (a) the date on which the Use Period expires; or (b) the date on which Seller ceases, for any reason, to provide Buyer with the use of the Premises (excluding that portion of the Premises subject to the Sublease). Notwithstanding any other provision hereof, Buyer will not be obligated to pay or provide amounts and other consideration or to cure nonmonetary defaults in excess of the Cure Amount with respect to periods of time on or before the Closing Date.

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[1] Terms used in this Use and Occupancy Agreement and not otherwise defined have the meaning ascribed to them in the Agreement.

If Buyer fails to make any payments due under Paragraph 3, Seller will have the right, but not the obligation, to pay any amount due and owing under the Lease to avoid a default under the Lease, in which case Buyer will promptly reimburse Seller for that amount. Any reimbursement owing by Buyer to Seller under this Paragraph will be paid within five business days following Buyer's receipt of a written request for reimbursement accompanied by documentation setting forth in reasonable detail the basis for the amounts to be reimbursed.

Buyer will pay to Seller on the 25th day of every month from the Closing Date until the Termination Date $19,768, which represents the estimated monthly cost (the "Operating Costs") of repairs and maintenance and property taxes associated with operating the Premises. Buyer will also provide to Seller on the Closing Date under the Agreement a reserve amount equal to 10% of the estimated monthly Operating Costs, and it will maintain this reserve amount throughout the Use Period. Within two business days after the Termination Date this reserve will be paid by Seller to Buyer. In addition, on the Closing Date Buyer will pay to Seller the prorated Operating Costs attributable to the period from the Closing Date to the date on which the first such monthly payment is otherwise due. Seller will directly pay all property taxes and all costs of repairs and maintenance required to be paid under the Lease; and provide Buyer with evidence of such payment; provided, however, that Seller will provide Buyer with ~~five~~ten business days' written notice before incurring any repair or maintenance cost exceeding $500 so that Buyer and Seller may consult with each other concerning the necessity of making such repairs and maintenance and attempt to reach agreement with regard thereto and so that Buyer may obtain competitive bids from vendors qualified to perform such repairs or maintenance. Buyer and Seller agree to work diligently to select a vendor to perform such repairs or maintenance and who is mutually agreeable to both parties. Nothing in this Paragraph limits Seller's rights to conduct repairs and maintenance to the extent necessary to avoid a default under the Lease.

Promptly following the Closing, Buyer will take all commercially reasonable steps to ensure that all costs of maintaining the Premises (the "Utility Costs")—after the Closing, -- including without limitation waste removal, insurance, and utilities but excluding Operating Costs and rent due under the Lease—are borne directly by Buyer and that Buyer contracts directly for all related services. Buyer must furnish to Seller proof of insurance providing coverage at least equal to the coverage currently in place with respect to the Premises ("Insurance") and that complies in all respects with the Seller's obligations under the Bankruptcy Code and the guidelines promulgated by the Office of the United States Trustee, which guidelines require, among other things, that:

Buyer must immediately notify its insurance carrier(s) and/or agents(s) in writing, with a copy to Seller and the Office of the United States Trustee, that the United States Trustee must be notified of any cancellation of Insurance;

Buyer must submit to Seller and the Office of the United States Trustee proof of current Insurance coverage in the form of a statement, signed under penalty of perjury, that all Insurance coverage required by the Notice of Requirements is in full force and effect, and the declaration page of the Insurance policy showing the type and extent of

coverage and expiration date and designating Steel Horse Automotive Accessories, Inc., as debtor and debtor in possession, as an additional loss payee/beneficiary must be attached to the sworn statement; and

Buyer must provide updated information to the Office of the United States Trustee automatically upon the expiration date set forth on the Insurance policy.

Buyer will promptly notify Seller once each contract related to Utility Costs is in place so that Seller may promptly terminate its contract for such services, Seller hereby agreeing to terminate promptly each such contract. Within 15 days after the date on which Buyer notifies Seller that the last such contract is in place, Seller will deliver to Buyer an itemized statement (the "Interim Statement") of the prorated Utility Costs attributable to the period from the Closing Date to the date on which Seller terminated each such service (the "Interim Period"), and Buyer will reimburse Seller for Utility Costs during the Interim Period. Any disputes regarding the allocation of Utility Costs will be resolved in accordance with the procedures set forth in Paragraph 9.

Within 15 days after the Termination Date, Seller will deliver to Buyer an itemized statement (the "Itemized Statement") of the actual Operating Costs from the Closing Date through the Termination Date. To the extent that the actual Operating Costs during the Use Period were less than the estimated Operating Costs actually paid by Buyer, Seller will reimburse Buyer for the overpayments, and to the extent that the actual Operating Costs exceeded the estimated Operating Costs actually paid by Buyer, Buyer will reimburse Seller for the underpayments.

Buyer may, within five business days after receiving an Interim or Itemized Statement, deliver to Seller a written objection to the Interim or Itemized Statement. If Buyer does not timely deliver a written objection, then any reimbursement required in accordance with the Interim or Itemized Statement must be paid no later than seven business days following Buyer's receipt of the Interim or Itemized Statement. If Buyer does timely deliver a written objection to the Interim or Itemized Statement, then: (a) Seller and Buyer agree to work diligently to resolve that objection within five business days, and if any objections remain unresolved after that period, Seller and Buyer will promptly retain BDO Seidman (the "Resolving Accountant"), based on its availability, promptly to resolve any remaining disputes, and the resolution of the Resolving Accountant will be binding on Seller and Buyer; and (b) any reimbursement that the Resolving Accountant determines is due—whether that amount is owed by the Seller or the Buyer—must be paid no later than two business days following the Resolving Accountant's determination.

Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, any liabilities arising during the Use Period from Buyer's use and occupancy of the Premises. Seller hereby indemnifies and holds harmless Buyer, and agrees to defend Buyer with respect to any liabilities arising from Seller's use and occupancy of the Premises before the Use Period. With respect to any liabilities arising before, and continuing during, the Use Period,: (a) Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, such liabilities on a pro rata

basis equal to the extent to which Buyer contributed to such liability during the Use Period; and (b) Seller hereby indemnifies and holds harmless and agrees to defend Buyer with respect to such liabilities on a pro rata basis equal to the extent to which Seller contributed to such liabilities during or prior to the Use Period.

Seller will timely file and serve a motion seeking to extend until June 30, 2003 the period within which it may assume or reject the Lease, to the extent that the Lease constitutes a nonresidential lease of real property under which Seller is the lessee, and Seller will timely file and serve a response to any opposition to such a motion to the extent that such a response may be asserted in good faith and based upon applicable law. Seller will timely file and serve an opposition to any motion to compel assumption or rejection of the Lease before the Termination Date to the extent that such an opposition may be asserted in good faith based upon applicable law. Seller's obligations under this Paragraph are conditioned upon Buyer's timely performance of its obligations under this Use and Occupancy Agreement.

Buyer will provide Seller with 30 days' written notice ("Assumption Notice") of its intent to accept an assignment of the Lease so that Seller may timely request approval of its assumption of the Lease. Promptly after receipt of such Assumption Notice, Seller will timely file all appropriate pleadings to allow the assumption of the Lease by Seller and the assignment thereof to Buyer.

Buyer will provide Seller with 30 days' written notice ("Termination Notice") of its intent to discontinue its use of the Premises so that Seller may timely request rejection of the Lease. Seller may not seek to reject the Lease or to revoke Buyer's rights under Paragraph 2 unless and until one of the following events occurs: (a) Seller receives a Termination Notice; (b) Buyer is in breach of this Use and Occupancy Agreement and fails to cure any such breach within ten days after receipt of written notice of the breach; or (c) the date June 30, 2003 has occurred. Without limiting the other terms and conditions of this Use and Occupancy Agreement, a breach of this Use and Occupancy Agreement will include Buyer's failure timely to pay any amount owing under the Lease with respect to the periods of time after the Closing Date, its failure to pay any estimated Operating Costs when due, or its failure to discharge any obligation under the Lease resulting in a default under the Lease with respect to the periods of time after the Closing Date.

During the Use Period, Buyer will at all times comply with any terms regarding the use of the Premises as set forth in the Lease. Furthermore, if the Use Period ends other than as a result of Buyers' acceptance of an assignment of the Lease from the Seller or Buyers' entry into a new, mutually satisfactory lease with the landlord under the Lease, Buyer will: (a) leave the Premises in broom clean condition on the Termination Date, (b) and upon the occurrence of the Termination Date, deliver possession of the Premises to the lessor. Buyer's obligations to Seller hereunder will be performed without offset or recoupment of any kind or nature, except those arising hereunder.

On or before the Closing Date, Buyer will furnish Seller with a $16,000 letter of credit, which is equal to two month's rent due under the Lease. Seller will have the

right to draw down on this letter of credit for the following purposes: (a) to pay any amount due and owing under the Lease to avoid a default under the Lease with regard to the period of time after the Closing Date; or (b) to pay any amount due and owing under the Lease as a result of Seller's failure to leave the Premises in broom-clean condition on the Termination Date or to deliver possession of the Premises to the lessor on the Termination Date.

Nothing in this Use and Occupancy Agreement will constitute an implied or express agreement by Seller to assume the Lease.

Seller will seek entry of an order (which may be the Sale Order) approving this Use and Occupancy Agreement.

This Agreement is binding on any subsequent trustee appointed in Seller's Case and will remain in force and effect in the event that the case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code, or if Seller is administratively insolvent.

Notwithstanding any other provision hereof, if the cure finding does not address the Lease and if Buyer provides an Assumption Notice, Seller will attempt to obtain a cure finding with respect to the Lease as contemplated under Section 1.3(c) of the Agreement prior to an assumption of the Lease in accordance with the Assumption Notice, and if the Lease is assumed by Seller and assigned to Buyer, Seller will pay to Buyer the amount by which the cure finding for the Lease exceeds the Cure Amount.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

IN WITNESS WHEREOF, the parties hereto have caused this Use and Occupancy Agreement to be duly executed as of the date first above written.

BUYER

BERRYMAN PRODUCTS, INC.

By: _____
Name: Maurice Blankenship
Title: President

SELLER

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Mark D. Barbeau, President and Chief

Executive Officer

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USE AND OCCUPANCY AGREEMENT

1418 S. Alameda Street, Compton, CA

For Berryman Products, Inc. ("Buyer") to obtain certain of the benefits contemplated under the Asset Purchase Agreement, dated as of November 27, 2002[1] (the "Agreement"), by and among Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc. ("Seller"), Mid-America Automotive, Inc. and Buyer, Seller and Buyer, an unaffiliated entity that will operate Seller's Business after the Closing, have agreed to the following terms with respect to certain post-Closing matters related to Buyer's operations after the Closing Date:

Seller is currently using certain real property that is located at 1418 S. Alameda Street, Compton, California (the "Premises") and that it leases pursuant to the Standard Industrial/Commercial Single-Tenant Lease-Net made as of July 1, 2001 by and between Jams Beckett Jr. and Jane C. Beckett, Trustees of the Beckett Family Trust (the "Lease"). Seller has neither assumed nor rejected the Lease in connection with the Case. Subject to the terms of this Use and Occupancy Agreement, Seller will make available to Buyer the Premises so that Buyer may use the Premises in the operation of its business after the Closing Date.

Buyer will be entitled to use the Premises during the period (the "Use Period") from the Closing Date through and including the date upon which the Lease is rejected by Buyer pursuant to an Order of the Court.

Buyer will promptly pay all amounts due and owing under the Lease with regard to periods of time after the Closing Date, and it will otherwise discharge all obligations of Seller under the Lease with regard to periods of time after the Closing Date, until the first to occur of the following two dates (the "Termination Date"): (a) the date on which the Use Period expires; or (b) the date on which Seller ceases, for any reason, to provide Buyer with the use of the Premises. Notwithstanding any other provision hereof, Buyer will not be obligated to pay or provide amounts and other consideration or to cure nonmonetary defaults in excess of the Cure Amount with respect to periods of time on or before the Closing Date.

If Buyer fails to make any payments due under Paragraph 3, Seller will have the right, but not the obligation, to pay any amount due and owing under the Lease to avoid a default under the Lease, in which case Buyer will promptly reimburse Seller for that amount. Any reimbursement owing by Buyer to Seller under this Paragraph will be paid within five business days following Buyer's receipt of a written request for reimbursement accompanied by documentation setting forth in reasonable detail the basis for the amounts to be reimbursed.

Buyer will pay to Seller on the 25th day of every month from the Closing Date until the Termination Date $3,484.00, which represents the estimated monthly cost (the

[1] Terms used in this Use and Occupancy Agreement and not otherwise defined have the meaning ascribed to them in the Agreement.

EXHIBIT 1 PAGE 61

"Operating Costs") of repairs and maintenance and property taxes associated with operating the Premises. Buyer will also provide to Seller on the Closing Date under the Agreement a reserve amount equal to 10% of the estimated monthly Operating Costs, and it will maintain this reserve amount throughout the Use Period. Within two business days after the Termination Date, this reserve will be paid by Seller to Buyer. In addition, on the Closing Date Buyer will pay to Seller the prorated Operating Costs attributable to the period from the Closing Date to the date on which the first such monthly payment is otherwise due. Seller will directly pay all property taxes and all costs of repairs and maintenance required to be paid under the Lease and provide Buyer with evidence of such payment; provided, however, that Seller will provide Buyer with ten business days' written notice before incurring any repair or maintenance cost exceeding $500 so that Buyer and Seller may consult with each other concerning the necessity of making such repairs and maintenance and attempt to reach agreement with regard thereto and so that Buyer may obtain competitive bids from vendors qualified to perform such repairs or maintenance. Buyer and Seller agree to work diligently to select a vendor to perform such repairs or maintenance and who is mutually agreeable to both parties. Nothing in this Paragraph limits Seller's rights to conduct repairs and maintenance to the extent necessary to avoid a default under the Lease.

Promptly following the Closing, Buyer will take all commercially reasonable steps to ensure that all costs of maintaining the Premises (the "Utility Costs") after the Closing, including without limitation waste removal, insurance, and utilities but excluding Operating Costs and rent due under the Lease—are borne directly by Buyer and that Buyer contracts directly for all related services. Buyer must furnish to Seller proof of insurance providing coverage at least equal to the coverage currently in place with respect to the Premises ("Insurance") and that complies in all respects with the Seller's obligations under the Bankruptcy Code and the guidelines promulgated by the Office of the United States Trustee, which guidelines require, among other things, that:

1. Buyer must immediately notify its insurance carrier(s) and/or agents(s) in writing, with a copy to Seller and the Office of the United States Trustee, that the United States Trustee must be notified of any cancellation of Insurance;

2. Buyer must submit to Seller and the Office of the United States Trustee proof of current Insurance coverage in the form of a statement, signed under penalty of perjury, that all Insurance coverage required by the Notice of Requirements is in full force and effect, and the declaration page of the Insurance policy showing the type and extent of coverage and expiration date and designating Steel Horse Automotive Accessories, Inc., as debtor and debtor in possession, as an additional loss payee/beneficiary must be attached to the sworn statement; and

3. Buyer must provide updated information to the Office of the United States Trustee automatically upon the expiration date set forth on the Insurance policy.

Buyer will promptly notify Seller once each contract related to Utility Costs is in place so that Seller may promptly terminate its contract for such services, Seller hereby agreeing to terminate promptly each such contract. Within 15 days after the date on which Buyer notifies Seller that the last such contract is in place, Seller will deliver to Buyer an itemized statement (the "Interim Statement") of the prorated Utility Costs attributable to the period from the Closing Date to the date on which Seller terminated each such service (the "Interim Period"), and Buyer will reimburse Seller for Utility Costs during the Interim Period. Any disputes regarding the allocation of Utility Costs will be resolved in accordance with the procedures set forth in Paragraph 9.

Within 15 days after the Termination Date, Seller will deliver to Buyer an itemized statement (the "Itemized Statement") of the actual Operating Costs from the Closing Date through the Termination Date. To the extent that the actual Operating Costs during the Use Period were less than the estimated Operating Costs actually paid by Buyer, Seller will reimburse Buyer for the overpayments, and to the extent that the actual Operating Costs exceeded the estimated Operating Costs actually paid by Buyer, Buyer will reimburse Seller for the underpayments.

Buyer may, within five business days after receiving an Interim or Itemized Statement, deliver to Seller a written objection to the Interim or Itemized Statement. If Buyer does not timely deliver a written objection, then any reimbursement required in accordance with the Interim or Itemized Statement must be paid no later than seven business days following Buyer's receipt of the Interim or Itemized Statement. If Buyer does timely deliver a written objection to the Interim or Itemized Statement, then: (a) Seller and Buyer agree to work diligently to resolve that objection within five business days, and if any objections remain unresolved after that period, Seller and Buyer will promptly retain BDO Seidman (the "Resolving Accountant"), based on its availability, promptly to resolve any remaining disputes, and the resolution of the Resolving Accountant will be binding on Seller and Buyer; and (b) any reimbursement that the Resolving Accountant determines is due—whether that amount is owed by the Seller or the Buyer—must be paid no later than two business days following the Resolving Accountant's determination.

Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, any liabilities arising during the Use Period from Buyer's use and occupancy of the Premises. Seller hereby indemnifies and holds harmless Buyer, and agrees to defend Buyer with respect to any liabilities arising from Seller's use and occupancy of the Premises before the Use Period. With respect to any liabilities arising before, and continuing during, the Use Period: (a) Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, such liabilities on a pro rata basis equal to the extent to which Buyer contributed to such liability during the Use Period; and (b) Seller hereby indemnifies and holds harmless and agrees to defend Buyer with respect to such liabilities on a pro rata basis equal to the extent to which Seller contributed to such liabilities during or prior to the Use Period.

Seller will timely file and serve a motion seeking to extend until June 30, 2003 the period within which it may assume or reject the Lease, to the extent that the Lease

constitutes a nonresidential lease of real property under which Seller is the lessee, and Seller will timely file and serve a response to any opposition to such a motion to the extent that such a response may be asserted in good faith and based upon applicable law. Seller will timely file and serve an opposition to any motion to compel assumption or rejection of the Lease before the Termination Date to the extent that such an opposition may be asserted in good faith based upon applicable law. Seller's obligations under this Paragraph are conditioned upon Buyer's timely performance of its obligations under this Use and Occupancy Agreement.

Buyer will provide Seller with 30 days' written notice ("Assumption Notice") of its intent to accept an assignment of the Lease so that Seller may timely request approval of its assumption of the Lease. Promptly after receipt of such Assumption Notice, Seller will timely file all appropriate pleadings to allow the assumption of the Lease by Seller and the assignment thereof to Buyer.

Buyer will provide Seller with 30 days' written notice ("Termination Notice") of its intent to discontinue its use of the Premises so that Seller may timely request rejection of the Lease. Seller may not seek to reject the Lease or to revoke Buyer's rights under Paragraph 2 unless and until one of the following events occurs: (a) Seller receives a Termination Notice; (b) Buyer is in breach of this Use and Occupancy Agreement and fails to cure any such breach within ten days after receipt of written notice of the breach; or (c) the date June 30, 2003 has occurred. Without limiting the other terms and conditions of this Use and Occupancy Agreement, a breach of this Use and Occupancy Agreement will include Buyer's failure timely to pay any amount owing under the Lease with respect to the periods of time after the Closing Date, its failure to pay any estimated Operating Costs when due, or its failure to discharge any obligation under the Lease resulting in a default under the Lease with respect to the periods of time after the Closing Date.

During the Use Period, Buyer will at all times comply with any terms regarding the use of the Premises as set forth in the Lease. Furthermore, if the Use Period ends other than as a result of Buyers' acceptance of an assignment of the Lease from the Seller or Buyers' entry into a new, mutually satisfactory lease with the landlord under the Lease, Buyer will: (a) leave the Premises in broom clean condition on the Termination Date, (b) and upon the occurrence of the Termination Date, deliver possession of the Premises to the lessor. Buyer's obligations to Seller hereunder will be performed without offset or recoupment of any kind or nature, except those arising hereunder.

On or before the Closing Date, Buyer will furnish Seller with a $19,200.00 letter of credit, which is equal to two month's rent due under the Lease. Seller will have the right to draw down on this letter of credit for the following purposes: (a) to pay any amount due and owing under the Lease to avoid a default under the Lease with regard to the period of time after the Closing Date; or (b) to pay any amount due and owing under the Lease as a result of Seller's failure to leave the Premises in broom-clean condition on the Termination Date or to deliver possession of the Premises to the lessor on the Termination Date.

Nothing in this Use and Occupancy Agreement will constitute an implied or express agreement by Seller to assume the Lease.

Seller will seek entry of an order (which may be the Sale Order) approving this Use and Occupancy Agreement.

This Agreement is binding on any subsequent trustee appointed in Seller's Case and will remain in force and effect in the event that the case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code, or if Seller is administratively insolvent.

Notwithstanding any other provision hereof, if the cure finding does not address the Lease and if Buyer provides an Assumption Notice, Seller will attempt to obtain a cure finding with respect to the Lease as contemplated under Section 1.3(c) of the Agreement prior to an assumption of the Lease in accordance with the Assumption Notice, and if the Lease is assumed by Seller and assigned to Buyer, Seller will pay to Buyer the amount by which the cure finding for the Lease exceeds the Cure Amount.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

IN WITNESS WHEREOF, the parties hereto have caused this Use and Occupancy Agreement to be duly executed as of the date first above written.

BUYER

BERRYMAN PRODUCTS, INC.

By: _____
Name: Maurice Blankenship
Title: President

SELLER

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Mark D. Barbeau, President and Chief Executive Officer

USE AND OCCUPANCY AGREEMENT

1508 S. Alameda Street, Compton, CA

For Berryman Products, Inc. ("Buyer") to obtain certain of the benefits contemplated under the Asset Purchase Agreement, dated as of November 27, 2002[1] (the "Agreement"), by and among Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc. ("Seller"), Mid-America Automotive, Inc. and Buyer, Seller and Buyer, an unaffiliated entity that will operate Seller's Business after the Closing, have agreed to the following terms with respect to certain post-Closing matters related to Buyer's operations after the Closing Date:

Seller is currently using certain real property that is located at 1508 S. Alameda Street, Compton, California (the "Premises") and that it leases pursuant to the Standard Industrial/Commercial Single-Tenant Lease-Net made as of July 1, 2001 by and between James Beckett Jr. and Jane C. Beckett, Trustees of the Beckett Family Trust (the "Lease"). Seller has neither assumed nor rejected the Lease in connection with the Case. Subject to the terms of this Use and Occupancy Agreement, Seller will make available to Buyer the Premises so that Buyer may use the Premises in the operation of its business after the Closing Date.

Buyer will be entitled to use the Premises during the period (the "Use Period") from the Closing Date through and including the date upon which the Lease is rejected by Buyer pursuant to an Order of the Court.

Buyer will promptly pay all amounts due and owing under the Lease with regard to periods of time after the Closing Date, and it will otherwise discharge all obligations of Seller under the Lease with regard to periods of time after the Closing Date, until the first to occur of the following two dates (the "Termination Date"): (a) the date on which the Use Period expires; or (b) the date on which Seller ceases, for any reason, to provide Buyer with the use of the Premises. Notwithstanding any other provision hereof, Buyer will not be obligated to pay or provide amounts and other consideration or to cure nonmonetary defaults in excess of the Cure Amount with respect to periods of time on or before the Closing Date.

If Buyer fails to make any payments due under Paragraph 3, Seller will have the right, but not the obligation, to pay any amount due and owing under the Lease to avoid a default under the Lease, in which case Buyer will promptly reimburse Seller for that amount. Any reimbursement owing by Buyer to Seller under this Paragraph will be paid within five business days following Buyer's receipt of a written request for reimbursement accompanied by documentation setting forth in reasonable detail the basis for the amounts to be reimbursed.

Buyer will pay to Seller on the 25th day of every month from the Closing Date until the Termination Date $1,191.00, which represents the estimated monthly cost (the

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"Operating Costs") of repairs and maintenance and property taxes associated with operating the Premises. Buyer will also provide to Seller on the Closing Date under the Agreement a reserve amount equal to 10% of the estimated monthly Operating Costs, and it will maintain this reserve amount throughout the Use Period. Within two business days after the Termination Date, this reserve will be paid by Seller to Buyer. In addition, on the Closing Date Buyer will pay to Seller the prorated Operating Costs attributable to the period from the Closing Date to the date on which the first such monthly payment is otherwise due. Seller will directly pay all property taxes and all costs of repairs and maintenance required to be paid under the Lease and provide Buyer with evidence of such payment; provided, however, that Seller will provide Buyer with ten business days' written notice before incurring any repair or maintenance cost exceeding $500 so that Buyer and Seller may consult with each other concerning the necessity of making such repairs and maintenance and attempt to reach agreement with regard thereto and so that Buyer may obtain competitive bids from vendors qualified to perform such repairs or maintenance. Buyer and Seller agree to work diligently to select a vendor to perform such repairs or maintenance and who is mutually agreeable to both parties. Nothing in this Paragraph limits Seller's rights to conduct repairs and maintenance to the extent necessary to avoid a default under the Lease.

Promptly following the Closing, Buyer will take all commercially reasonable steps to ensure that all costs of maintaining the Premises (the "Utility Costs") after the Closing, including without limitation waste removal, insurance, and utilities but excluding Operating Costs and rent due under the Lease—are borne directly by Buyer and that Buyer contracts directly for all related services. Buyer must furnish to Seller proof of insurance providing coverage at least equal to the coverage currently in place with respect to the Premises ("Insurance") and that complies in all respects with the Seller's obligations under the Bankruptcy Code and the guidelines promulgated by the Office of the United States Trustee, which guidelines require, among other things, that:

1. Buyer must immediately notify its insurance carrier(s) and/or agents(s) in writing, with a copy to Seller and the Office of the United States Trustee, that the United States Trustee must be notified of any cancellation of Insurance;

2. Buyer must submit to Seller and the Office of the United States Trustee proof of current Insurance coverage in the form of a statement, signed under penalty of perjury, that all Insurance coverage required by the Notice of Requirements is in full force and effect, and the declaration page of the Insurance policy showing the type and extent of coverage and expiration date and designating Steel Horse Automotive Accessories, Inc., as debtor and debtor in possession, as an additional loss payee/beneficiary must be attached to the sworn statement; and

3. Buyer must provide updated information to the Office of the United States Trustee automatically upon the expiration date set forth on the Insurance policy.

Buyer will promptly notify Seller once each contract related to Utility Costs is in place so that Seller may promptly terminate its contract for such services, Seller hereby agreeing to terminate promptly each such contract. Within 15 days after the date on which Buyer notifies Seller that the last such contract is in place, Seller will deliver to Buyer an itemized statement (the "Interim Statement") of the prorated Utility Costs attributable to the period from the Closing Date to the date on which Seller terminated each such service (the "Interim Period"), and Buyer will reimburse Seller for Utility Costs during the Interim Period. Any disputes regarding the allocation of Utility Costs will be resolved in accordance with the procedures set forth in Paragraph 9.

Within 15 days after the Termination Date, Seller will deliver to Buyer an itemized statement (the "Itemized Statement") of the actual Operating Costs from the Closing Date through the Termination Date. To the extent that the actual Operating Costs during the Use Period were less than the estimated Operating Costs actually paid by Buyer, Seller will reimburse Buyer for the overpayments, and to the extent that the actual Operating Costs exceeded the estimated Operating Costs actually paid by Buyer, Buyer will reimburse Seller for the underpayments.

Buyer may, within five business days after receiving an Interim or Itemized Statement, deliver to Seller a written objection to the Interim or Itemized Statement. If Buyer does not timely deliver a written objection, then any reimbursement required in accordance with the Interim or Itemized Statement must be paid no later than seven business days following Buyer's receipt of the Interim or Itemized Statement. If Buyer does timely deliver a written objection to the Interim or Itemized Statement, then: (a) Seller and Buyer agree to work diligently to resolve that objection within five business days, and if any objections remain unresolved after that period, Seller and Buyer will promptly retain BDO Seidman (the "Resolving Accountant"), based on its availability, promptly to resolve any remaining disputes, and the resolution of the Resolving Accountant will be binding on Seller and Buyer; and (b) any reimbursement that the Resolving Accountant determines is due—whether that amount is owed by the Seller or the Buyer—must be paid no later than two business days following the Resolving Accountant's determination.

Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, any liabilities arising during the Use Period from Buyer's use and occupancy of the Premises. Seller hereby indemnifies and holds harmless Buyer, and agrees to defend Buyer with respect to any liabilities arising from Seller's use and occupancy of the Premises before the Use Period. With respect to any liabilities arising before, and continuing during, the Use Period: (a) Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, such liabilities on a pro rata basis equal to the extent to which Buyer contributed to such liability during the Use Period; and (b) Seller hereby indemnifies and holds harmless and agrees to defend Buyer with respect to such liabilities on a pro rata basis equal to the extent to which Seller contributed to such liabilities during or prior to the Use Period.

Seller will timely file and serve a motion seeking to extend until June 30, 2003 the period within which it may assume or reject the Lease, to the extent that the Lease

constitutes a nonresidential lease of real property under which Seller is the lessee, and Seller will timely file and serve a response to any opposition to such a motion to the extent that such a response may be asserted in good faith and based upon applicable law. Seller will timely file and serve an opposition to any motion to compel assumption or rejection of the Lease before the Termination Date to the extent that such an opposition may be asserted in good faith based upon applicable law. Seller's obligations under this Paragraph are conditioned upon Buyer's timely performance of its obligations under this Use and Occupancy Agreement.

Buyer will provide Seller with 30 days' written notice ("Assumption Notice") of its intent to accept an assignment of the Lease so that Seller may timely request approval of its assumption of the Lease. Promptly after receipt of such Assumption Notice, Seller will timely file all appropriate pleadings to allow the assumption of the Lease by Seller and the assignment thereof to Buyer.

Buyer will provide Seller with 30 days' written notice ("Termination Notice") of its intent to discontinue its use of the Premises so that Seller may timely request rejection of the Lease. Seller may not seek to reject the Lease or to revoke Buyer's rights under Paragraph 2 unless and until one of the following events occurs: (a) Seller receives a Termination Notice; (b) Buyer is in breach of this Use and Occupancy Agreement and fails to cure any such breach within ten days after receipt of written notice of the breach; or (c) the date June 30, 2003 has occurred. Without limiting the other terms and conditions of this Use and Occupancy Agreement, a breach of this Use and Occupancy Agreement will include Buyer's failure timely to pay any amount owing under the Lease with respect to the periods of time after the Closing Date, its failure to pay any estimated Operating Costs when due, or its failure to discharge any obligation under the Lease resulting in a default under the Lease with respect to the periods of time after the Closing Date.

During the Use Period, Buyer will at all times comply with any terms regarding the use of the Premises as set forth in the Lease. Furthermore, if the Use Period ends other than as a result of Buyers' acceptance of an assignment of the Lease from the Seller or Buyers' entry into a new, mutually satisfactory lease with the landlord under the Lease, Buyer will: (a) leave the Premises in broom clean condition on the Termination Date, (b) and upon the occurrence of the Termination Date, deliver possession of the Premises to the lessor. Buyer's obligations to Seller hereunder will be performed without offset or recoupment of any kind or nature, except those arising hereunder.

On or before the Closing Date, Buyer will furnish Seller with a $2,000 letter of credit, which is equal to two month's rent due under the Lease. Seller will have the right to draw down on this letter of credit for the following purposes: (a) to pay any amount due and owing under the Lease to avoid a default under the Lease with regard to the period of time after the Closing Date; or (b) to pay any amount due and owing under the Lease as a result of Seller's failure to leave the Premises in broom-clean condition on the Termination Date or to deliver possession of the Premises to the lessor on the Termination Date.

Nothing in this Use and Occupancy Agreement will constitute an implied or express agreement by Seller to assume the Lease.

Seller will seek entry of an order (which may be the Sale Order) approving this Use and Occupancy Agreement.

This Agreement is binding on any subsequent trustee appointed in Seller's Case and will remain in force and effect in the event that the case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code, or if Seller is administratively insolvent.

Notwithstanding any other provision hereof, if the cure finding does not address the Lease and if Buyer provides an Assumption Notice, Seller will attempt to obtain a cure finding with respect to the Lease as contemplated under Section 1.3(c) of the Agreement prior to an assumption of the Lease in accordance with the Assumption Notice, and if the Lease is assumed by Seller and assigned to Buyer, Seller will pay to Buyer the amount by which the cure finding for the Lease exceeds the Cure Amount.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

IN WITNESS WHEREOF, the parties hereto have caused this Use and Occupancy Agreement to be duly executed as of the date first above written.

BUYER

BERRYMAN PRODUCTS, INC.

By: _____
Name: Maurice Blanchard
Title: President

SELLER

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Mark D. Barbeau, President and Chief Executive Officer

USE AND OCCUPANCY AGREEMENT

1518 S. Alameda Street, Compton, CA

For Berryman Products, Inc. ("Buyer") to obtain certain of the benefits contemplated under the Asset Purchase Agreement, dated as of November 27, 2002[1] (the "Agreement"), by and among Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc. ("Seller"), Mid-America Automotive, Inc. and Buyer, Seller and Buyer, an unaffiliated entity that will operate Seller's Business after the Closing, have agreed to the following terms with respect to certain post-Closing matters related to Buyer's operations after the Closing Date:

Seller is currently using certain real property that is located at 1518 S. Alameda Street, Compton, California (the "Premises") and that it leases pursuant to the Standard Industrial/Commercial Single-Tenant Lease-Net made as of July 1, 2001 by and between James Beckett Jr. and Jane C. Beckett, Trustees of the Beckett Family Trust (the "Lease"). Seller has neither assumed nor rejected the Lease in connection with the Case. Subject to the terms of this Use and Occupancy Agreement, Seller will make available to Buyer the Premises so that Buyer may use the Premises in the operation of its business after the Closing Date.

Buyer will be entitled to use the Premises during the period (the "Use Period") from the Closing Date through and including the date upon which the Lease is rejected by Buyer pursuant to an Order of the Court.

Buyer will promptly pay all amounts due and owing under the Lease with regard to periods of time after the Closing Date, and it will otherwise discharge all obligations of Seller under the Lease with regard to periods of time after the Closing Date, until the first to occur of the following two dates (the "Termination Date"): (a) the date on which the Use Period expires; or (b) the date on which Seller ceases, for any reason, to provide Buyer with the use of the Premises. Notwithstanding any other provision hereof, Buyer will not be obligated to pay or provide amounts and other consideration or to cure nonmonetary defaults in excess of the Cure Amount with respect to periods of time on or before the Closing Date.

If Buyer fails to make any payments due under Paragraph 3, Seller will have the right, but not the obligation, to pay any amount due and owing under the Lease to avoid a default under the Lease, in which case Buyer will promptly reimburse Seller for that amount. Any reimbursement owing by Buyer to Seller under this Paragraph will be paid within five business days following Buyer's receipt of a written request for reimbursement accompanied by documentation setting forth in reasonable detail the basis for the amounts to be reimbursed.

Buyer will pay to Seller on the 25th day of every month from the Closing Date until the Termination Date $1,897.00, which represents the estimated monthly cost (the

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EXHIBIT 1 PAGE 71

"Operating Costs") of repairs and maintenance and property taxes associated with operating the Premises. Buyer will also provide to Seller on the Closing Date under the Agreement a reserve amount equal to 10% of the estimated monthly Operating Costs, and it will maintain this reserve amount throughout the Use Period. Within two business days after the Termination Date, this reserve will be paid by Seller to Buyer. In addition, on the Closing Date Buyer will pay to Seller the prorated Operating Costs attributable to the period from the Closing Date to the date on which the first such monthly payment is otherwise due. Seller will directly pay all property taxes and all costs of repairs and maintenance required to be paid under the Lease and provide Buyer with evidence of such payment; provided, however, that Seller will provide Buyer with ten business days' written notice before incurring any repair or maintenance cost exceeding $500 so that Buyer and Seller may consult with each other concerning the necessity of making such repairs and maintenance and attempt to reach agreement with regard thereto and so that Buyer may obtain competitive bids from vendors qualified to perform such repairs or maintenance. Buyer and Seller agree to work diligently to select a vendor to perform such repairs or maintenance and who is mutually agreeable to both parties. Nothing in this Paragraph limits Seller's rights to conduct repairs and maintenance to the extent necessary to avoid a default under the Lease.

Promptly following the Closing, Buyer will take all commercially reasonable steps to ensure that all costs of maintaining the Premises (the "Utility Costs") after the Closing, including without limitation waste removal, insurance, and utilities but excluding Operating Costs and rent due under the Lease—are borne directly by Buyer and that Buyer contracts directly for all related services. Buyer must furnish to Seller proof of insurance providing coverage at least equal to the coverage currently in place with respect to the Premises ("Insurance") and that complies in all respects with the Seller's obligations under the Bankruptcy Code and the guidelines promulgated by the Office of the United States Trustee, which guidelines require, among other things, that:

1. Buyer must immediately notify its insurance carrier(s) and/or agents(s) in writing, with a copy to Seller and the Office of the United States Trustee, that the United States Trustee must be notified of any cancellation of Insurance;

2. Buyer must submit to Seller and the Office of the United States Trustee proof of current Insurance coverage in the form of a statement, signed under penalty of perjury, that all Insurance coverage required by the Notice of Requirements is in full force and effect, and the declaration page of the Insurance policy showing the type and extent of coverage and expiration date and designating Steel Horse Automotive Accessories, Inc., as debtor and debtor in possession, as an additional loss payee/beneficiary must be attached to the sworn statement; and

3. Buyer must provide updated information to the Office of the United States Trustee automatically upon the expiration date set forth on the Insurance policy.

Buyer will promptly notify Seller once each contract related to Utility Costs is in place so that Seller may promptly terminate its contract for such services, Seller hereby agreeing to terminate promptly each such contract. Within 15 days after the date on which Buyer notifies Seller that the last such contract is in place, Seller will deliver to Buyer an itemized statement (the "Interim Statement") of the prorated Utility Costs attributable to the period from the Closing Date to the date on which Seller terminated each such service (the "Interim Period"), and Buyer will reimburse Seller for Utility Costs during the Interim Period. Any disputes regarding the allocation of Utility Costs will be resolved in accordance with the procedures set forth in Paragraph 9.

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Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, any liabilities arising during the Use Period from Buyer's use and occupancy of the Premises. Seller hereby indemnifies and holds harmless Buyer, and agrees to defend Buyer with respect to any liabilities arising from Seller's use and occupancy of the Premises before the Use Period. With respect to any liabilities arising before, and continuing during, the Use Period: (a) Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, such liabilities on a pro rata basis equal to the extent to which Buyer contributed to such liability during the Use Period; and (b) Seller hereby indemnifies and holds harmless and agrees to defend Buyer with respect to such liabilities on a pro rata basis equal to the extent to which Seller contributed to such liabilities during or prior to the Use Period.

Seller will timely file and serve a motion seeking to extend until June 30, 2003 the period within which it may assume or reject the Lease, to the extent that the Lease

constitutes a nonresidential lease of real property under which Seller is the lessee, and Seller will timely file and serve a response to any opposition to such a motion to the extent that such a response may be asserted in good faith and based upon applicable law. Seller will timely file and serve an opposition to any motion to compel assumption or rejection of the Lease before the Termination Date to the extent that such an opposition may be asserted in good faith based upon applicable law. Seller's obligations under this Paragraph are conditioned upon Buyer's timely performance of its obligations under this Use and Occupancy Agreement.

Buyer will provide Seller with 30 days' written notice ("Assumption Notice") of its intent to accept an assignment of the Lease so that Seller may timely request approval of its assumption of the Lease. Promptly after receipt of such Assumption Notice, Seller will timely file all appropriate pleadings to allow the assumption of the Lease by Seller and the assignment thereof to Buyer.

Buyer will provide Seller with 30 days' written notice ("Termination Notice") of its intent to discontinue its use of the Premises so that Seller may timely request rejection of the Lease. Seller may not seek to reject the Lease or to revoke Buyer's rights under Paragraph 2 unless and until one of the following events occurs: (a) Seller receives a Termination Notice; (b) Buyer is in breach of this Use and Occupancy Agreement and fails to cure any such breach within ten days after receipt of written notice of the breach; or (c) the date June 30, 2003 has occurred. Without limiting the other terms and conditions of this Use and Occupancy Agreement, a breach of this Use and Occupancy Agreement will include Buyer's failure timely to pay any amount owing under the Lease with respect to the periods of time after the Closing Date, its failure to pay any estimated Operating Costs when due, or its failure to discharge any obligation under the Lease resulting in a default under the Lease with respect to the periods of time after the Closing Date.

During the Use Period, Buyer will at all times comply with any terms regarding the use of the Premises as set forth in the Lease. Furthermore, if the Use Period ends other than as a result of Buyers' acceptance of an assignment of the Lease from the Seller or Buyers' entry into a new, mutually satisfactory lease with the landlord under the Lease, Buyer will: (a) leave the Premises in broom clean condition on the Termination Date, (b) and upon the occurrence of the Termination Date, deliver possession of the Premises to the lessor. Buyer's obligations to Seller hereunder will be performed without offset or recoupment of any kind or nature, except those arising hereunder.

On or before the Closing Date, Buyer will furnish Seller with a $6,600.00 letter of credit, which is equal to two month's rent due under the Lease. Seller will have the right to draw down on this letter of credit for the following purposes: (a) to pay any amount due and owing under the Lease to avoid a default under the Lease with regard to the period of time after the Closing Date; or (b) to pay any amount due and owing under the Lease as a result of Seller's failure to leave the Premises in broom-clean condition on the Termination Date or to deliver possession of the Premises to the lessor on the Termination Date.

Nothing in this Use and Occupancy Agreement will constitute an implied or express agreement by Seller to assume the Lease.

Seller will seek entry of an order (which may be the Sale Order) approving this Use and Occupancy Agreement.

This Agreement is binding on any subsequent trustee appointed in Seller's Case and will remain in force and effect in the event that the case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code, or if Seller is administratively insolvent.

Notwithstanding any other provision hereof, if the cure finding does not address the Lease and if Buyer provides an Assumption Notice, Seller will attempt to obtain a cure finding with respect to the Lease as contemplated under Section 1.3(c) of the Agreement prior to an assumption of the Lease in accordance with the Assumption Notice, and if the Lease is assumed by Seller and assigned to Buyer, Seller will pay to Buyer the amount by which the cure finding for the Lease exceeds the Cure Amount.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

IN WITNESS WHEREOF, the parties hereto have caused this Use and Occupancy Agreement to be duly executed as of the date first above written.

BUYER

BERRYMAN PRODUCTS, INC.

By: _____
Name: Maurice Blankenship
Title: President

SELLER

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Mark D. Barbeau, President and Chief Executive Officer

USE AND OCCUPANCY AGREEMENT

1520 S. Alameda Street, Compton, CA

For Berryman Products, Inc. ("Buyer") to obtain certain of the benefits contemplated under the Asset Purchase Agreement, dated as of November 27, 2002[1] (the "Agreement"), by and among Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc. ("Seller"), Mid-America Automotive, Inc. and Buyer, Seller and Buyer, an unaffiliated entity that will operate Seller's Business after the Closing, have agreed to the following terms with respect to certain post-Closing matters related to Buyer's operations after the Closing Date:

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Buyer will be entitled to use the Premises during the period (the "Use Period") from the Closing Date through and including the date upon which the Lease is rejected by Buyer pursuant to an Order of the Court.

Buyer will promptly pay all amounts due and owing under the Lease with regard to periods of time after the Closing Date, and it will otherwise discharge all obligations of Seller under the Lease with regard to periods of time after the Closing Date, until the first to occur of the following two dates (the "Termination Date"): (a) the date on which the Use Period expires; or (b) the date on which Seller ceases, for any reason, to provide Buyer with the use of the Premises. Notwithstanding any other provision hereof, Buyer will not be obligated to pay or provide amounts and other consideration or to cure nonmonetary defaults in excess of the Cure Amount with respect to periods of time on or before the Closing Date.

If Buyer fails to make any payments due under Paragraph 3, Seller will have the right, but not the obligation, to pay any amount due and owing under the Lease to avoid a default under the Lease, in which case Buyer will promptly reimburse Seller for that amount. Any reimbursement owing by Buyer to Seller under this Paragraph will be paid within five business days following Buyer's receipt of a written request for reimbursement accompanied by documentation setting forth in reasonable detail the basis for the amounts to be reimbursed.

Buyer will pay to Seller on the 25th day of every month from the Closing Date until the Termination Date $2,792.00, which represents the estimated monthly cost (the

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Promptly following the Closing, Buyer will take all commercially reasonable steps to ensure that all costs of maintaining the Premises (the "Utility Costs") after the Closing, including without limitation waste removal, insurance, and utilities but excluding Operating Costs and rent due under the Lease—are borne directly by Buyer and that Buyer contracts directly for all related services. Buyer must furnish to Seller proof of insurance providing coverage at least equal to the coverage currently in place with respect to the Premises ("Insurance") and that complies in all respects with the Seller's obligations under the Bankruptcy Code and the guidelines promulgated by the Office of the United States Trustee, which guidelines require, among other things, that:

1. Buyer must immediately notify its insurance carrier(s) and/or agents(s) in writing, with a copy to Seller and the Office of the United States Trustee, that the United States Trustee must be notified of any cancellation of Insurance;

2. Buyer must submit to Seller and the Office of the United States Trustee proof of current Insurance coverage in the form of a statement, signed under penalty of perjury, that all Insurance coverage required by the Notice of Requirements is in full force and effect, and the declaration page of the Insurance policy showing the type and extent of coverage and expiration date and designating Steel Horse Automotive Accessories, Inc., as debtor and debtor in possession, as an additional loss payee/beneficiary must be attached to the sworn statement; and

3. Buyer must provide updated information to the Office of the United States Trustee automatically upon the expiration date set forth on the Insurance policy.

Buyer will promptly notify Seller once each contract related to Utility Costs is in place so that Seller may promptly terminate its contract for such services, Seller hereby agreeing to terminate promptly each such contract. Within 15 days after the date on which Buyer notifies Seller that the last such contract is in place, Seller will deliver to Buyer an itemized statement (the "Interim Statement") of the prorated Utility Costs attributable to the period from the Closing Date to the date on which Seller terminated each such service (the "Interim Period"), and Buyer will reimburse Seller for Utility Costs during the Interim Period. Any disputes regarding the allocation of Utility Costs will be resolved in accordance with the procedures set forth in Paragraph 9.

Within 15 days after the Termination Date, Seller will deliver to Buyer an itemized statement (the "Itemized Statement") of the actual Operating Costs from the Closing Date through the Termination Date. To the extent that the actual Operating Costs during the Use Period were less than the estimated Operating Costs actually paid by Buyer, Seller will reimburse Buyer for the overpayments, and to the extent that the actual Operating Costs exceeded the estimated Operating Costs actually paid by Buyer, Buyer will reimburse Seller for the underpayments.

Buyer may, within five business days after receiving an Interim or Itemized Statement, deliver to Seller a written objection to the Interim or Itemized Statement. If Buyer does not timely deliver a written objection, then any reimbursement required in accordance with the Interim or Itemized Statement must be paid no later than seven business days following Buyer's receipt of the Interim or Itemized Statement. If Buyer does timely deliver a written objection to the Interim or Itemized Statement, then: (a) Seller and Buyer agree to work diligently to resolve that objection within five business days, and if any objections remain unresolved after that period, Seller and Buyer will promptly retain BDO Seidman (the "Resolving Accountant"), based on its availability, promptly to resolve any remaining disputes, and the resolution of the Resolving Accountant will be binding on Seller and Buyer; and (b) any reimbursement that the Resolving Accountant determines is due—whether that amount is owed by the Seller or the Buyer—must be paid no later than two business days following the Resolving Accountant's determination.

Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, any liabilities arising during the Use Period from Buyer's use and occupancy of the Premises. Seller hereby indemnifies and holds harmless Buyer, and agrees to defend Buyer with respect to any liabilities arising from Seller's use and occupancy of the Premises before the Use Period. With respect to any liabilities arising before, and continuing during, the Use Period: (a) Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, such liabilities on a pro rata basis equal to the extent to which Buyer contributed to such liability during the Use Period; and (b) Seller hereby indemnifies and holds harmless and agrees to defend Buyer with respect to such liabilities on a pro rata basis equal to the extent to which Seller contributed to such liabilities during or prior to the Use Period.

Seller will timely file and serve a motion seeking to extend until June 30, 2003 the period within which it may assume or reject the Lease, to the extent that the Lease

constitutes a nonresidential lease of real property under which Seller is the lessee, and Seller will timely file and serve a response to any opposition to such a motion to the extent that such a response may be asserted in good faith and based upon applicable law. Seller will timely file and serve an opposition to any motion to compel assumption or rejection of the Lease before the Termination Date to the extent that such an opposition may be asserted in good faith based upon applicable law. Seller's obligations under this Paragraph are conditioned upon Buyer's timely performance of its obligations under this Use and Occupancy Agreement.

Buyer will provide Seller with 30 days' written notice ("Assumption Notice") of its intent to accept an assignment of the Lease so that Seller may timely request approval of its assumption of the Lease. Promptly after receipt of such Assumption Notice, Seller will timely file all appropriate pleadings to allow the assumption of the Lease by Seller and the assignment thereof to Buyer.

Buyer will provide Seller with 30 days' written notice ("Termination Notice") of its intent to discontinue its use of the Premises so that Seller may timely request rejection of the Lease. Seller may not seek to reject the Lease or to revoke Buyer's rights under Paragraph 2 unless and until one of the following events occurs: (a) Seller receives a Termination Notice; (b) Buyer is in breach of this Use and Occupancy Agreement and fails to cure any such breach within ten days after receipt of written notice of the breach; or (c) the date June 30, 2003 has occurred. Without limiting the other terms and conditions of this Use and Occupancy Agreement, a breach of this Use and Occupancy Agreement will include Buyer's failure timely to pay any amount owing under the Lease with respect to the periods of time after the Closing Date, its failure to pay any estimated Operating Costs when due, or its failure to discharge any obligation under the Lease resulting in a default under the Lease with respect to the periods of time after the Closing Date.

During the Use Period, Buyer will at all times comply with any terms regarding the use of the Premises as set forth in the Lease. Furthermore, if the Use Period ends other than as a result of Buyers' acceptance of an assignment of the Lease from the Seller or Buyers' entry into a new, mutually satisfactory lease with the landlord under the Lease, Buyer will: (a) leave the Premises in broom clean condition on the Termination Date, (b) and upon the occurrence of the Termination Date, deliver possession of the Premises to the lessor. Buyer's obligations to Seller hereunder will be performed without offset or recoupment of any kind or nature, except those arising hereunder.

On or before the Closing Date, Buyer will furnish Seller with a $10,600.00 letter of credit, which is equal to two month's rent due under the Lease. Seller will have the right to draw down on this letter of credit for the following purposes: (a) to pay any amount due and owing under the Lease to avoid a default under the Lease with regard to the period of time after the Closing Date; or (b) to pay any amount due and owing under the Lease as a result of Seller's failure to leave the Premises in broom-clean condition on the Termination Date or to deliver possession of the Premises to the lessor on the Termination Date.

Nothing in this Use and Occupancy Agreement will constitute an implied or express agreement by Seller to assume the Lease.

Seller will seek entry of an order (which may be the Sale Order) approving this Use and Occupancy Agreement.

This Agreement is binding on any subsequent trustee appointed in Seller's Case and will remain in force and effect in the event that the case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code, or if Seller is administratively insolvent.

Notwithstanding any other provision hereof, if the cure finding does not address the Lease and if Buyer provides an Assumption Notice, Seller will attempt to obtain a cure finding with respect to the Lease as contemplated under Section 1.3(c) of the Agreement prior to an assumption of the Lease in accordance with the Assumption Notice, and if the Lease is assumed by Seller and assigned to Buyer, Seller will pay to Buyer the amount by which the cure finding for the Lease exceeds the Cure Amount.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

IN WITNESS WHEREOF, the parties hereto have caused this Use and Occupancy Agreement to be duly executed as of the date first above written.

BUYER

BERRYMAN PRODUCTS, INC.

By: _____
Name: Maurice Berryman
Title: President

SELLER

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Mark D. Barbeau, President and Chief Executive Officer

USE AND OCCUPANCY AGREEMENT

411 East Greenleaf, Compton, CA

For Berryman Products, Inc. ("Buyer") to obtain certain of the benefits contemplated under the Asset Purchase Agreement, dated as of November 27, 2002[1] (the "Agreement"), by and among Steel Horse Holdings, Inc., Steel Horse Automotive Accessories, Inc. ("Seller"), Mid-America Automotive, Inc. and Buyer, Seller and Buyer, an unaffiliated entity that will operate Seller's Business after the Closing, have agreed to the following terms with respect to certain post-Closing matters related to Buyer's operations after the Closing Date:

Seller is currently using certain real property that is located at 411 East Greenleaf, Compton, California (the "Premises") and that it leases pursuant to the Standard Industrial Lease-Gross made as of November 1, 2000 by and between Century Investment Company, a partnership, and fibernetics Molded Products, LLC (the "Lease"). Seller has neither assumed nor rejected the Lease in connection with the Case. Subject to the terms of this Use and Occupancy Agreement, Seller will make available to Buyer the Premises so that Buyer may use the Premises in the operation of its business after the Closing Date.

Buyer will be entitled to use the Premises during the period (the "Use Period") from the Closing Date through and including the date upon which the Lease is rejected by Buyer pursuant to an Order of the Court.

Buyer will promptly pay all amounts due and owing under the Lease with regard to periods of time after the Closing Date, and it will otherwise discharge all obligations of Seller under the Lease with regard to periods of time after the Closing Date, until the first to occur of the following two dates (the "Termination Date"): (a) the date on which the Use Period expires; or (b) the date on which Seller ceases, for any reason, to provide Buyer with the use of the Premises. Notwithstanding any other provision hereof, Buyer will not be obligated to pay or provide amounts and other consideration or to cure nonmonetary defaults in excess of the Cure Amount with respect to periods of time on or before the Closing Date.

If Buyer fails to make any payments due under Paragraph 3, Seller will have the right, but not the obligation, to pay any amount due and owing under the Lease to avoid a default under the Lease, in which case Buyer will promptly reimburse Seller for that amount. Any reimbursement owing by Buyer to Seller under this Paragraph will be paid within five business days following Buyer's receipt of a written request for reimbursement accompanied by documentation setting forth in reasonable detail the basis for the amounts to be reimbursed.

Buyer will pay to Seller on the 25th day of every month from the Closing Date until the Termination Date $894.00, which represents the estimated monthly cost (the

[1] Terms used in this Use and Occupancy Agreement and not otherwise defined have the meaning ascribed to them in the Agreement.

"Operating Costs") of repairs and maintenance and property taxes associated with operating the Premises. Buyer will also provide to Seller on the Closing Date under the Agreement a reserve amount equal to 10% of the estimated monthly Operating Costs, and it will maintain this reserve amount throughout the Use Period. Within two business days after the Termination Date, this reserve will be paid by Seller to Buyer. In addition, on the Closing Date Buyer will pay to Seller the prorated Operating Costs attributable to the period from the Closing Date to the date on which the first such monthly payment is otherwise due. Seller will directly pay all property taxes and all costs of repairs and maintenance required to be paid under the Lease and provide Buyer with evidence of such payment; provided, however, that Seller will provide Buyer with ten business days' written notice before incurring any repair or maintenance cost exceeding $500 so that Buyer and Seller may consult with each other concerning the necessity of making such repairs and maintenance and attempt to reach agreement with regard thereto and so that Buyer may obtain competitive bids from vendors qualified to perform such repairs or maintenance. Buyer and Seller agree to work diligently to select a vendor to perform such repairs or maintenance and who is mutually agreeable to both parties. Nothing in this Paragraph limits Seller's rights to conduct repairs and maintenance to the extent necessary to avoid a default under the Lease.

Promptly following the Closing, Buyer will take all commercially reasonable steps to ensure that all costs of maintaining the Premises (the "Utility Costs") after the Closing, including without limitation waste removal, insurance, and utilities but excluding Operating Costs and rent due under the Lease—are borne directly by Buyer and that Buyer contracts directly for all related services. Buyer must furnish to Seller proof of insurance providing coverage at least equal to the coverage currently in place with respect to the Premises ("Insurance") and that complies in all respects with the Seller's obligations under the Bankruptcy Code and the guidelines promulgated by the Office of the United States Trustee, which guidelines require, among other things, that:

1. Buyer must immediately notify its insurance carrier(s) and/or agents(s) in writing, with a copy to Seller and the Office of the United States Trustee, that the United States Trustee must be notified of any cancellation of Insurance;

2. Buyer must submit to Seller and the Office of the United States Trustee proof of current Insurance coverage in the form of a statement, signed under penalty of perjury, that all Insurance coverage required by the Notice of Requirements is in full force and effect, and the declaration page of the Insurance policy showing the type and extent of coverage and expiration date and designating Steel Horse Automotive Accessories, Inc., as debtor and debtor in possession, as an additional loss payee/beneficiary must be attached to the sworn statement; and

3. Buyer must provide updated information to the Office of the United States Trustee automatically upon the expiration date set forth on the Insurance policy.

Buyer will promptly notify Seller once each contract related to Utility Costs is in place so that Seller may promptly terminate its contract for such services, Seller hereby agreeing to terminate promptly each such contract. Within 15 days after the date on which Buyer notifies Seller that the last such contract is in place, Seller will deliver to Buyer an itemized statement (the "Interim Statement") of the prorated Utility Costs attributable to the period from the Closing Date to the date on which Seller terminated each such service (the "Interim Period"), and Buyer will reimburse Seller for Utility Costs during the Interim Period. Any disputes regarding the allocation of Utility Costs will be resolved in accordance with the procedures set forth in Paragraph 9.

Within 15 days after the Termination Date, Seller will deliver to Buyer an itemized statement (the "Itemized Statement") of the actual Operating Costs from the Closing Date through the Termination Date. To the extent that the actual Operating Costs during the Use Period were less than the estimated Operating Costs actually paid by Buyer, Seller will reimburse Buyer for the overpayments, and to the extent that the actual Operating Costs exceeded the estimated Operating Costs actually paid by Buyer, Buyer will reimburse Seller for the underpayments.

Buyer may, within five business days after receiving an Interim or Itemized Statement, deliver to Seller a written objection to the Interim or Itemized Statement. If Buyer does not timely deliver a written objection, then any reimbursement required in accordance with the Interim or Itemized Statement must be paid no later than seven business days following Buyer's receipt of the Interim or Itemized Statement. If Buyer does timely deliver a written objection to the Interim or Itemized Statement, then: (a) Seller and Buyer agree to work diligently to resolve that objection within five business days, and if any objections remain unresolved after that period, Seller and Buyer will promptly retain BDO Seidman (the "Resolving Accountant"), based on its availability, promptly to resolve any remaining disputes, and the resolution of the Resolving Accountant will be binding on Seller and Buyer; and (b) any reimbursement that the Resolving Accountant determines is due—whether that amount is owed by the Seller or the Buyer—must be paid no later than two business days following the Resolving Accountant's determination.

Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, any liabilities arising during the Use Period from Buyer's use and occupancy of the Premises. Seller hereby indemnifies and holds harmless Buyer, and agrees to defend Buyer with respect to any liabilities arising from Seller's use and occupancy of the Premises before the Use Period. With respect to any liabilities arising before, and continuing during, the Use Period: (a) Buyer hereby indemnifies and holds Seller harmless, and agrees to defend Seller with respect to, such liabilities on a pro rata basis equal to the extent to which Buyer contributed to such liability during the Use Period; and (b) Seller hereby indemnifies and holds harmless and agrees to defend Buyer with respect to such liabilities on a pro rata basis equal to the extent to which Seller contributed to such liabilities during or prior to the Use Period.

Seller will timely file and serve a motion seeking to extend until June 30, 2003 the period within which it may assume or reject the Lease, to the extent that the Lease

constitutes a nonresidential lease of real property under which Seller is the lessee, and Seller will timely file and serve a response to any opposition to such a motion to the extent that such a response may be asserted in good faith and based upon applicable law. Seller will timely file and serve an opposition to any motion to compel assumption or rejection of the Lease before the Termination Date to the extent that such an opposition may be asserted in good faith based upon applicable law. Seller's obligations under this Paragraph are conditioned upon Buyer's timely performance of its obligations under this Use and Occupancy Agreement.

Buyer will provide Seller with 30 days' written notice ("Assumption Notice") of its intent to accept an assignment of the Lease so that Seller may timely request approval of its assumption of the Lease. Promptly after receipt of such Assumption Notice, Seller will timely file all appropriate pleadings to allow the assumption of the Lease by Seller and the assignment thereof to Buyer.

Buyer will provide Seller with 30 days' written notice ("Termination Notice") of its intent to discontinue its use of the Premises so that Seller may timely request rejection of the Lease. Seller may not seek to reject the Lease or to revoke Buyer's rights under Paragraph 2 unless and until one of the following events occurs: (a) Seller receives a Termination Notice; (b) Buyer is in breach of this Use and Occupancy Agreement and fails to cure any such breach within ten days after receipt of written notice of the breach; or (c) the date June 30, 2003 has occurred. Without limiting the other terms and conditions of this Use and Occupancy Agreement, a breach of this Use and Occupancy Agreement will include Buyer's failure timely to pay any amount owing under the Lease with respect to the periods of time after the Closing Date, its failure to pay any estimated Operating Costs when due, or its failure to discharge any obligation under the Lease resulting in a default under the Lease with respect to the periods of time after the Closing Date.

During the Use Period, Buyer will at all times comply with any terms regarding the use of the Premises as set forth in the Lease. Furthermore, if the Use Period ends other than as a result of Buyers' acceptance of an assignment of the Lease from the Seller or Buyers' entry into a new, mutually satisfactory lease with the landlord under the Lease, Buyer will: (a) leave the Premises in broom clean condition on the Termination Date, (b) and upon the occurrence of the Termination Date, deliver possession of the Premises to the lessor. Buyer's obligations to Seller hereunder will be performed without offset or recoupment of any kind or nature, except those arising hereunder.

On or before the Closing Date, Buyer will furnish Seller with a $11,000.00 letter of credit, which is equal to two month's rent due under the Lease. Seller will have the right to draw down on this letter of credit for the following purposes: (a) to pay any amount due and owing under the Lease to avoid a default under the Lease with regard to the period of time after the Closing Date; or (b) to pay any amount due and owing under the Lease as a result of Seller's failure to leave the Premises in broom-clean condition on the Termination Date or to deliver possession of the Premises to the lessor on the Termination Date.

Nothing in this Use and Occupancy Agreement will constitute an implied or express agreement by Seller to assume the Lease.

Seller will seek entry of an order (which may be the Sale Order) approving this Use and Occupancy Agreement.

This Agreement is binding on any subsequent trustee appointed in Seller's Case and will remain in force and effect in the event that the case is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code, or if Seller is administratively insolvent.

Notwithstanding any other provision hereof, if the cure finding does not address the Lease and if Buyer provides an Assumption Notice, Seller will attempt to obtain a cure finding with respect to the Lease as contemplated under Section 1.3(c) of the Agreement prior to an assumption of the Lease in accordance with the Assumption Notice, and if the Lease is assumed by Seller and assigned to Buyer, Seller will pay to Buyer the amount by which the cure finding for the Lease exceeds the Cure Amount.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

IN WITNESS WHEREOF, the parties hereto have caused this Use and Occupancy Agreement to be duly executed as of the date first above written.

BUYER

BERRYMAN PRODUCTS, INC.

By: _____
Name: Maurice Blankenship
Title: President

SELLER

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Mark D. Barbeau, President and Chief Executive Officer

EXHIBIT C

BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement"), dated as of November 27, 2002, is made and entered into by and among (i) Steel Horse Holdings Inc., a Delaware corporation, (ii) Steel Horse Automotive Accessories, Inc., a California corporation, and (iii) Mid-America Automotive, Inc., an Oklahoma corporation (collectively, "Sellers"), and (iv) Berryman Products, Inc., a Texas corporation ("Buyer"). Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Purchase Agreement (as defined below).

RECITALS

WHEREAS, Sellers and Buyer have entered into that certain Asset Purchase Agreement, dated as of November 27, 2002 (the "Purchase Agreement"), whereby Sellers have agreed to sell and Buyer has agreed to purchase the Purchased Assets; and

WHEREAS, pursuant to the Purchase Agreement, Sellers and Buyer desire to enter into this Bill of Sale and Assignment and Assumption Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to the terms and conditions of the Purchase Agreement:

1. Sellers hereby sell, convey, deliver, transfer and assign to Buyer all of Sellers' right, title and interest in and to the Purchased Assets as specified in the Purchase Agreement, free and clear of all liens, charges, encumbrances and interests. The Purchased Assets conveyed hereunder do not include any of the Excluded Assets as specified in the Purchase Agreement.

2. Buyer hereby assumes all duties and obligations of Sellers under or in respect of the Assumed Liabilities. Buyer agrees to assume and, after the date hereof, to pay and fully satisfy in due course, the Assumed Liabilities, and to perform all of the obligations of Sellers to be performed with respect thereto.

3. Sellers hereby assign, transfer and grant to Buyer, to the extent legally assignable and that any necessary consents to assignment have been obtained, and Buyer hereby assumes, all of the obligations, responsibilities and liabilities of Sellers in and to the Assigned Contracts and Leases set forth in Schedule 1.3(c) to the Purchase Agreement, other than any Assigned Contract or Lease excluded pursuant to Section 1.3(c) of the Purchase Agreement, and agrees that it will hereafter keep, pay, perform, discharge and fulfill such Assigned Contracts and Leases, and that it will hereafter be bound by all of the terms, covenants and conditions contained therein insofar as such terms, covenants and conditions relate to such Assigned Contracts and Leases.

4. Each of the parties shall be permitted to furnish a copy of this Agreement to any third party which is also a party to an Assigned Contract or Lease.

5. Sellers and Buyer, by their execution of this Agreement, hereby acknowledge and agree that neither the representations and warranties nor the rights and remedies of the parties under the Purchase Agreement will be deemed to be enlarged, modified or altered in any way by this instrument.

6. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile shall be binding to the same extent as an original signature page.

[Remainder of page intentionally left blank]

EXHIBIT 1
PAGE 57

EXHIBIT 1 PAGE 87

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BERRYMAN PRODUCTS, INC.

By: _____
Name: America Blanton Shipp
Title: President

STEEL HORSE HOLDINGS, INC.

By: _____
Name: _____
Title: _____

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Name: _____
Title: _____

MID-AMERICA AUTOMOTIVE, INC.

By: _____
Name: _____
Title: _____

490656_4.DOC

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BERRYMAN PRODUCTS, INC.

By: _____
Name: _____
Title: _____

STEEL HORSE HOLDINGS, INC.

By: _____
Name: Mark Barbeau
Title: President + CEO

STEEL HORSE AUTOMOTIVE ACCESSORIES, INC.

By: _____
Name: Mark Barbeau
Title: President + CEO

MID-AMERICA AUTOMOTIVE, INC.

By: _____
Name: Mark Barbeau
Title: President + CEO

EXHIBIT 1
PAGE 42

02

EXHIBIT 1 PAGE 89

Schedules

The attached Schedules have been prepared and delivered in accordance with the Asset Purchase Agreement (the "Agreement"), dated as of November 27, 2002, by and among Steel Horse Holdings, Inc., a Delaware corporation, Steel Horse Automotive Accessories, Inc., a California corporation, and Mid-America Automotive, Inc., an Oklahoma corporation (collectively the "Sellers"), and Berryman Products, Inc., a Texas corporation ("Buyer"). Capitalized terms used and not otherwise defined on these Schedules have the meanings ascribed to them in the Agreement.

These Schedules are qualified in their entirety by reference to specific provisions of the Agreement and are not intended to constitute, and shall not be construed as constituting, any representations or warranties of Seller except as and to the extent provided in the Agreement. The headings contained on these Schedules are for convenience of reference only and shall not be deemed to modify or influence the interpretation of the information contained on these Schedules or the Agreement.

Schedule 1.2(a)(v)

Intellectual Property – Molded Products

Trademark #	Title	Registration Date
2,121,127	Steel Horse Automotive	12/16/1997
76 / 227,841	Mobile Cinema	10/18/2000
2,448,051	Monsoon	5/1/2001

Intellectual Property – Tubular Products

Patent #	Title	Inventor	Issued Date
6,386,410 BI	Vehicle Mounted Article Carrier Rack	Don Van Dusen; Jerry Hughes	5/14/2002
5,501,475	Universal Stainless Steel Truck Step & Adjustable Support Rod	Don Bundy	7/29/1994
5,139,296	Stainless Steel Bumper	Don Bundy	2/28/1992
5,897,125	Swivel truck step	Don Bundy	7/31/1997
5,997,227	Bed rail mount	Don Bundy	10/8/1997

Trademark #	Title	Registration Date
2021301	StainlessEagle	12/3/1996
	Mid America Automotive Products (MAAP)	Not Registered

In re:	CASE NUMBER:
STEEL HORSE AUTOMOTIVE ACCESSORIES, INC., et al., Debtors.	**LA 02-35563 ER** CHAPTER 11

NOTICE OF ENTRY OF JUDGMENT OR ORDER AND CERTIFICATE OF MAILING

TO:

Klee, Tuchin, Bogdanoff & Stern LLP, Attn: Mette H. Kurth, Esq.
1880 Century Park East, Suite 200, Los Angeles, CA 90067

Steel Horse Automotive Accessories, Inc., Attn: Mark Barbeau, CEO and Dale Jabour, CFO, 601 W. Walnut Street, Compton, CA 90220-5223

Office of the U.S. Trustee, Attn: Dare Law, Esq.
725 S. Figueroa Street, 26th Floor, Los Angeles, CA 90017

Sheppard, Mullin, Richter & Hampton, Attn: Prentice O'Leary, Esq.
333 S. Hope Street, 48th Floor, Los Angeles, CA 90071-1448

Patton Boggs LLP, Attn: Clifton R. Jessup, Jr., Esq.
2001 Ross Ave., Ste. 3000, Dallas, TX 75201-2774

Peitzman, Glassman, Weg & Kempinsky LLP, Attn: Lawrence Peitzman, Esq.
1801 Avenue of the Stars, Suite 1225, Los Angeles, CA 90067

John Y. Bonds, III, Esq., Shannon, Gracey, Ratliff & Miller, L.L.P.
Carter Burgess Plaza, 777 Main Street, 38th Floor, Fort Worth, TX 76102-5304

1. You are hereby notified, pursuant to Local Bankruptcy Rule 9021-1(1)(a)(v), that a judgment or order entitled (specify):

ORDER APPROVING ASSET PURCHASE AGREEMENT BY AND AMONG STEEL HORSE HOLDINGS, INC., STEEL HORSE AUTOMOTIVE ACCESSORIES, INC., MID-AMERICA AUTOMOTIVE, INC. AND BERRYMAN PRODUCTS, INC DATED AS OF NOVEMBER 27, 2002

was entered on (*specify date*): DEC 19 2002

2. I hereby certify that I mailed a copy of this notice and a true copy of the order or judgment to the persons and entities on the attached service list on (*specify date*) DEC 19 2002

Dated: DEC 19 2002

JON D. CERETTO
Clerk of the Bankruptcy Court

By: _____
Deputy Clerk

Rev. 6/95 This form is optional. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

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