Form PTO-1594 (Rev. 06/04)
OMB Collection 0651-0027 (exp. 6/30/2005)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):
Aerialscope, Inc.
FWD Corporation

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State
☐ Other Aerialscope - Delaware
Citizenship (see guidelines) FWD - Wisconsin

Execution Date(s) May 8, 2003

Additional names of conveying parties attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? ☐ Yes ☒ No

Name: Seagrave Fire Apparatus, LLC
Internal Address:
Street Address: 105 E. 12th Street
City: Clintonville
State: Wisconsin
Country: USA Zip: 54929

☐ Association Citizenship
☐ General Partnership Citizenship
☐ Limited Partnership Citizenship
☒ Corporation Citizenship Delaware
☐ Other Citizenship

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☐ No
(Designations must be a separate document from assignment)

3. Nature of conveyance:

☒ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Other

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 1,553,582
2,385,215 2,013,650

Additional sheet(s) attached? ☒ Yes ☐ No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):
(1) AERIALSCOPE, (2) "Flame" design, (3) SEAGRAVE, and (4) Variants of the mark "FWD"

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: John F. Letchford
Internal Address: Klehr, Harrison, Harvey
Branzburg & Ellers LLP
Street Address: 260 S. Broad Street
City: Philadelphia
State: PA Zip: 19102
Phone Number: (215) 568-6060
Fax Number: (215) 568-6603
Email Address: jletchford@klehr.com

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 2.6(b)(6) & 3.41) $165.00

☐ Authorized to be charged by credit card
☒ Authorized to be charged to deposit account
☐ Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers
Expiration Date

b. Deposit Account Number 501-555
Authorized User Name John F. Letchford

9. Signature:

Signature December 27, 2004
Date

John F, Letchford
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 65

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

CH $165.00 501555 2385215

REGISTRATION NO.	MARK
107,444	FWD
709,270	FWD in concentric circles in box
698,490	FWD

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made as of May 8, 2003, by and among FWD CORPORATION, a Wisconsin corporation, AERIALSCOPE, INC., a Delaware corporation, and SEAGRAVE SALES & SERVICE LLC, a Delaware limited liability company (collectively, "Sellers") and SEAGRAVE FIRE APPARATUS, LLC, a Delaware limited liability company ("Buyer").

Recitals

WHEREAS, Buyer, Sellers, Almonte Fire Trucks Co., Almonte Investment Partners, L.P., and Corsta Corporation, are parties to that certain Asset Purchase Agreement, dated the date hereof (the "Asset Purchase Agreement");

WHEREAS, in connection with the acquisition pursuant to the Asset Purchase Agreement, Sellers are assigning to Buyer all of Sellers' right, title and interest in and to the Acquired Assets (as defined in the Asset Purchase Agreement); and

WHEREAS, Sellers desire to transfer and assign to Buyer all of Sellers' rights, title and interest in and to the Acquired Assets and Buyer desires to assume Sellers' obligations with respect thereto.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. Capitalized Terms. Capitalized terms used but not defined herein shall have the meanings for such terms that are set forth in the Asset Purchase Agreement.

2. Assignment and Assumption. Sellers hereby transfer and assign to Buyer all of Sellers' right, title and interest in the Acquired Assets and Buyer hereby assumes and agrees to perform all obligations of Sellers arising in connection with the Acquired Assets other than any Excluded Liabilities. Sellers shall remain liable for all of the obligations and Liabilities relating to the Acquired Assets insofar as such obligations are Excluded Liabilities.

3. Terms of the Asset Purchase Agreement. Notwithstanding any other provisions of this instrument to the contrary, nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general any of the rights and remedies, and any of the obligations of Buyer or Sellers set forth in the Asset Purchase Agreement, including without limitation any indemnification specified therein. This Agreement is subject to and controlled by the terms of the Asset Purchase Agreement. Nothing contained herein is intended to modify or supersede any of the provisions of the Asset Purchase Agreement.

4. No Breach. Notwithstanding any of the provisions of the foregoing, this instrument shall not constitute an assignment to Buyer of any contract if an attempted assignment

of the same without the consent of the other party thereto would constitute a breach thereof or in any way impair the rights of Sellers thereunder, but only to the extent that such consent has not been obtained as of the date hereof; provided, that if any such consent is obtained after the date hereof with respect to any such contract, this instrument shall constitute an assignment of the same to Buyer as of the date of such consent without further action by Sellers or Buyer.

5. Further Acts. Sellers and Buyer shall execute and deliver to the other party, if the other party so requests, such further instruments, documents and agreements as may be reasonably necessary or appropriate to complete or further evidence either the foregoing assignment or the foregoing assumption.

6. Binding Obligation. This Agreement is binding upon and inures to the benefit of the successors and assigns of each party to this Agreement.

7. Governing Law. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Delaware (without regard to the choice of law provisions thereof).

8. Amendment. This Agreement cannot be amended, supplemented, or changed except by an agreement in writing that is signed by the parties hereto.

9. Counterparts. This Agreement may be executed in two counterparts, each of which shall constitute an original and together shall constitute one and the same document.

[SIGNATURE PAGE FOLLOWS]

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

SEAGRAVE FIRE APPARATUS, LLC

By: _____
Name: James L. Hebe
Title President

FWD CORPORATION

By: _____
Name: Stacie Daley
Title: Secretary

AERIALSCOPE, INC.

By: _____
Name: Stacie Daley
Title: Secretary

SEAGRAVE SALES & SERVICE LLC

By: Constacorp _____
Name: ~~Kay~~ Stacie Daley
Title: Vice President

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of the 25th day of April, 2003, by and among SEAGRAVE FIRE APPARATUS, LLC, a Delaware limited liability company ("US Buyer"), SEAGRAVE FIRE APPARATUS COMPANY, an unlimited liability company existing under the laws of the Province of Nova Scotia ("CN Buyer" and together with US Buyer, "Buyer"), FWD CORPORATION, a Wisconsin corporation ("Seagrave"), AERIALSCOPE, INC., a Delaware corporation ("Aerialscope"), ALMONTE FIRE TRUCKS CO., an unlimited liability company existing under the laws of the Province of Nova Scotia ("Almonte"), SEAGRAVE SALES & SERVICE LLC, a Delaware limited liability company ("SSS") (Seagrave, Aerialscope and SSS are sometimes hereafter referred to as the "US Sellers" and together with Almonte the "Sellers" or the "Companies"), ALMONTE INVESTMENT PARTNERS, L.P., a Delaware limited partnership ("Almonte Investment") and CORSTA CORPORATION, a Delaware corporation (the "Parent" or "Guarantor"), which owns all of the outstanding stock or other ownership interests in each US Seller and, through Almonte Investments, Almonte, provides for the purchase by Buyer of the Business and substantially all of the Assets of the Companies.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the Parties hereby agree as follows:

ARTICLE 1: DEFINITIONS

1.1 "Accounts Receivable" shall mean all amounts owed to the Companies by their customers and others, determined in accordance with GAAP.

1.2 "Acquired Assets" shall mean all Assets of the Companies, including but not limited to, the Accounts Receivable, Books and Records, Company Cars, Equipment, Intangible Property, Inventory, Other Assets, Owned Real Property, Leased Real Property and rights and benefits under the Assumed Agreements; provided, however, that the Acquired Assets shall not include any of the Excluded Assets or Cash.

1.3 "Affiliates" shall mean with respect to any Person, (i) any Person directly or indirectly controlling, controlled by, or under common control with such Person, (ii) any Person owning or controlling ten (10%) percent or more of the outstanding voting interests of such Person, (iii) any officer, director, manager, or general partner of such Person, or (iv) any Person who is an officer, director, general partner, manager, trustee, or holder of ten (10%) percent or more of the voting interests of any Person described in clauses (i) through (iii) of this sentence. For purposes of this definition, the term "controls," "is controlled by," or "is under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

1.4 "Assets" of a Person shall mean all of the assets, properties, businesses, and rights of such Person of every kind, nature, character, and description, whether real, personal, or mixed, tangible or intangible, accrued or contingent, or otherwise relating to or utilized in such Person's business, directly or indirectly, in whole or in part, whether or not carried on the books and

records of such Person, and whether or not owned in the name of such Person or any Affiliate of such Person and wherever located.

1.5 "Assignment and Assumption Agreements" shall mean the Assignment and Assumption Agreements dated as of the Closing Date among US Buyer and US Sellers and among CN Buyer and Almonte relating to the Acquired Assets and substantially in the form of Exhibit A hereto.

1.6 "Assumed Agreements" shall mean (i) all agreements, contracts and commitments listed on Schedule 1.6, (ii) all purchase and sale orders entered into after April 8, 2003 and March 31, 2003, respectively, in the ordinary course of business and (iii) any other agreements, contracts and commitments entered into after the date hereof and prior to the Closing that Buyer elects, at its option, to assume, but shall not include any agreements, contracts or commitments that comprise any of the Excluded Liabilities.

1.7 "Assumed Liabilities" shall mean those Liabilities and obligations assumed by Buyer and are limited to:

(a) All of the Trade Payables arising after the Balance Sheet Date that are not paid or otherwise satisfied prior to Closing provided that such Trade Payables (i) arose on or prior to the Closing Date, (ii) arose in the ordinary course of business, (iii) arose in a manner consistent with the past practices of the Companies, and (iv) as of the Closing, are within sixty (60) days from date of invoice;

(b) Liability for the Customer Deposits set forth on Schedule 4.16(b) and arising in the ordinary course of business since the dates set forth on Schedule 4.16(b) to the extent that such Customer Deposits are properly reflected as a current liability on the Closing Balance Sheet;

(c) All Liabilities under the Retirement Plans and Employee Benefit Plans listed on Schedules 4.23(a)(i) and (ii) other than Liabilities relating to the operation or sponsorship by any of the Companies of any such plans in violation of law, fiduciary duty or any provision of such plans;

(d) Any Liability to Sellers' customers under written warranty agreements in the forms provided to Buyer prior to the date hereof and "as-bid" warranties given by Sellers to its customers in the ordinary course of business prior to the Closing;

(e) All product liability claims described on Schedule 4.29 and any product liability claims relating to products sold, manufactured, leased or distributed by Sellers prior to the Closing Date that have not been asserted as of the Closing Date and as to which Sellers have no knowledge as of the Closing Date;

(f) Liability related to the pending claims described on Schedule 4.24;

(g) Those obligations and liabilities under the Assumed Agreements arising after the Closing Date (other than any Liability arising out of or relating to a breach or

default that occurred prior to the Closing) and, to the extent reflected as a current liability on the Closing Balance Sheet, arising prior to the Closing Date;

(h) Liability for the employee grievances described on Schedule 4.22; and

(i) Liability to pay the invoices attached as Schedule 1.7(i);

provided, however, that Assumed Liabilities shall not include any agreements, contracts or commitments that comprise any of the Excluded Liabilities.

1.8 "Balance Sheet" shall mean the combined balance sheet of Sellers at the Balance Sheet Date as prepared in accordance with GAAP by Sellers' internal accounting department.

1.9 "Balance Sheet Date" shall mean December 31, 2002.

1.10 "Bills of Sale" shall mean the bills of sale dated as of the Closing Date evidencing the transfer of the Equipment from US Sellers to US Buyer and from Almonte to CN Buyer, in substantially the form of Exhibit B hereto.

1.11 "Books and Records" shall mean books and records or copies thereof, whether in physical, electronic or other media, related to the Business, the Acquired Assets or the employees of the Companies, including, without limitation, (i) financial records, (ii) mailing, distribution, customer and supplier lists, (iii) records with respect to pricing, production, product development, volume, payment history, costs and legal matters, (iv) employment records, (v) databases, plans, specifications, technical information, marketing research and information, competitive analysis, sales records, service records, other customer information, and (vi) plats and surveys of the Real Property, plans and designs of buildings, constructions, fixtures and equipment, environmental control, monitoring and test records, but excluding books and records that are Excluded Assets.

1.12 "Business" shall mean the business of the Companies.

1.13 "Cash" shall mean all cash and cash equivalents, including certificates of deposits, commercial paper, money market mutual funds, repurchase agreements, bank accounts and other similar investments and marketable securities.

1.14 "Closing" shall mean the consummation of the transactions contemplated by this Agreement and any Related Agreements.

1.15 "Closing Balance Sheet" shall mean a balance sheet reflecting only the Acquired Assets and the Assumed Liabilities prepared as of the Closing Date in accordance with GAAP and, to the extent consistent with GAAP and the provisions of the next sentence, prepared in a manner consistent with the preparation of the Balance Sheet. The Closing Balance Sheet (i) shall not reflect any value for used inventory or parts (other than used trucks), (ii) shall reflect inventory valued in accordance with the first-in-first-out method, with appropriate reserves for obsolete inventory, which reserves shall be consistent with past practices of Sellers, (iii) shall reflect as a current liability all accrued vacation relating to periods prior to the Closing Date, (iv) shall reflect as a current liability the accrual of all payroll and related obligations as

contemplated by Section 10.7(a), (v) shall reflect as a current liability the accrual of all obligations to pay "stay bonuses" to employees of Sellers as contemplated by Section 10.7(a) and (vi) shall reflect as a current liability all Customer Deposits.

1.16 "Closing Date" shall have the meaning set forth in Section 3.1.

1.17 "Code" shall mean the Internal Revenue Code of 1986, as amended.

1.18 "Company Cars" shall mean those automobiles listed on Schedule 1.18.

1.19 "Consent Letter" shall have the meaning set forth in Section 10.4.

1.20 "Deeds" shall mean general warranty deeds in the form attached hereto as Exhibit C, which will convey the Owned Real Property to Buyer.

1.21 "EBITDA" shall mean, for any period, consolidated net income (or loss) of Buyer for such period, determined in accordance with GAAP, plus, without duplication and to the extent reflected as a charge in the consolidated results of operations of Buyer for such period, the sum of (i) total income tax expense, (ii) total interest expense, amortization or write off of debt discount and debt issuance costs and debt issuance commissions, discounts, other fees and charges associated with loans and letters of credit, (iii) total depreciation and amortization expense, (iv) amortization or impairment of intangibles (including, but not limited to, goodwill), (v) any management or similar fees paid or accrued by Buyer and (vi) any fees to members of the Board of Directors, advisory board or similar body of Buyer; provided however, that (A) EBIDTA shall not include any income, loss, expense, accrual, amortization or charge attributable to any business operated by Buyer other than the Business as acquired by Buyer pursuant to this Agreement and (B) for purposes of this definition, Buyer shall include any successor entity of Buyer resulting from a merger, consolidation, reorganization, recapitalization or similar transaction that may operate the Business.

1.22 "Earnout Payments" shall have the meaning set forth in Section 3.2(c).

1.23 "Earnout Year" shall have the meaning set forth in Section 3.2(c).

1.24 [Intentionally Omitted]

1.25 "Employee Benefit Plan" shall have the meaning set forth in Section 4.23(a).

1.26 "Environmental Laws " shall mean all United States federal, state, local, Canadian federal, provincial, municipal and foreign statutes, regulations, ordinances, all judicial and administrative orders and determinations, and all common law concerning public health and safety, and pollution or protection of the environment, including without limitation all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control, or cleanup of any hazardous materials, substances or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise or radiation, each as amended and in effect as of the Closing Date.

1.27 "Equipment" shall mean all leasehold improvements, machinery, equipment, auxiliary equipment, fixtures attached to or associated with the equipment or machinery, machine parts, shop tools and equipment, spare parts, supplies, office equipment, furniture, furnishings, office supplies, sales and promotional materials used in the Business or owned by the Companies and all motor vehicles owned by the Companies; provided, however, that Equipment shall not include Inventory or any of the Excluded Assets. None of the Equipment is owned by Parent or any Affiliate of Parent other than the Sellers.

1.28 "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

1.29 "Excluded Assets" shall mean the Companies' income Tax records, corporate minute books and stock records and those other assets described on Schedule 1.29.

1.30 "Excluded Liabilities" shall mean all liabilities and obligations of Sellers other than Assumed Liabilities and the other Liabilities specifically assumed pursuant to this Agreement. Without limiting the generality of the foregoing, and whether or not incurred in the ordinary and usual course of the Business, the Excluded Liabilities include any and all Liabilities arising out of or in connection with (i) any Liability of any of the Companies to Parent or any of its Affiliates; (ii) the dissolution and winding up of any of the Companies; (iii) all income and capital Taxes (other than the Buyer Taxes, as defined in Section 3.3); (iv) all Taxes relating to the Owned Real Property for periods prior to the Closing, except to the extent properly accrued as a current liability on the Closing Balance Sheet; (v) Trade Payables arising on or before the Balance Sheet Date and not reflected on the Balance Sheet and all other Trade Payables not specifically described as an Assumed Liability; (vi) any Retirement Plans except those specifically assumed by Buyer pursuant to Section 1.7(c); (vii) expenses of Sellers or Parent related to the negotiation, execution and implementation of this Agreement and the transactions contemplated hereby, including without limitation, transfer fees and Taxes (other than the Buyer Taxes) and fees and expenses of attorneys, accountants and investment bankers; (viii) any Liability arising out of or relating to products of Sellers manufactured, sold, leased or distributed prior to the Closing, except as expressly provided in Section 1.7(d) and (e); (ix) under any Assumed Agreement that arises after the Closing but that arises out of or relates to any breach by Sellers that occurred prior to the Closing; (x) any Liability for Taxes, including any Taxes arising as a result of Sellers' operation of its business or ownership of the Acquired Assets prior to the Closing, any Taxes that will arise as a result of the sale of the Acquired Assets pursuant to this Agreement (other than the Buyer Taxes) and excluding all Taxes relating to the Owned Real Property for periods prior to the Closing to the extent they are properly accrued for as a current liability on the Closing Balance Sheet; (xi) any Liability under any contract that is not an Assumed Agreement, including any Liability arising out of or relating to Sellers' credit facilities or any security interest related thereto; (xii) any liabilities arising out of or relating to the operation of Sellers' business or Sellers' leasing, ownership or operation of real property prior to the Closing Date, except for those Liabilities specifically set forth in the definition of Assumed Liabilities; (xiii) except as expressly provided in Section 1.7(c), any Liability under the Employee Benefit Plans or relating to any employment agreement, payroll, vacation (other than vacation properly accrued as a current liability on the Closing Balance Sheet and vacation for service after the Closing Date), sick leave, workers' compensation, unemployment benefits, pension benefits, employee stock option or profit-sharing plans, health care plans or benefits or

any other employee plans or benefits of any kind for Sellers' employees or former employees or both; (xiv) any Liability under any severance, retention or termination agreement with any employee of Sellers or any of its related persons that relate to employment with the Seller prior to the Closing Date, except as expressly provided in Section 10.7 or pursuant to any written agreement entered into by Buyer; (xv) any Liability arising out of or relating to any employee grievance relating to periods prior to the Closing Date whether or not the affected employees are hired by Buyer, except for the matters described on Schedule 4.22; (xvi) any Liability of Sellers to any shareholder or related person of Sellers or Parent; (xvii) any Liability to indemnify, reimburse or advance amounts to any officer, director, employee or agent of Sellers (other than in connection with the performance bonds to the extent provided in Section 10.10); (xviii) any Liability to distribute to any of Sellers' shareholders or otherwise apply all or any part of the consideration received hereunder; (xix) any Liability arising out of any litigation, investigation, enforcement activity or similar proceeding pending as of the Closing, except as expressly provided in Section 1.7(e) and (f); (xx) any Liability arising out of any litigation, investigation, enforcement activity or similar proceeding commenced after the Closing and arising out of or relating to any occurrence or event happening prior to the Closing, except as expressly provided in Section 1.7(e) and (f); (xxi) any Liability arising out of or resulting from Sellers' compliance or noncompliance with any legal requirement or order of any governmental body; (xxii) any Liability of Sellers under this Agreement or any other document executed in connection with the transactions contemplated by this Agreement; (xxiii) any Liability of Sellers based upon Sellers' acts or omissions occurring after the Closing; (xxiv) any Liability for Customer Deposits not reflected on Schedule 4.16(b) or not properly reflected as a current liability on the Closing Balance Sheet.

1.31 "Exhibits" shall mean the exhibits to this Agreement, as referred to herein.

1.32 "Financial Statements" shall mean (i) the combined balance sheets of Sellers and related statements of income, retained earnings and cash flows at and for the fiscal years ended December 31, 2001 and 2002, audited in accordance with GAAP by BDO Seidman (A Professional Accounting Corporation), certified public accountants, as consistently applied by Sellers, (ii) the balance sheets of Seagrave, Aerialscope and Almonte and related statements of income, retained earnings and cash flows at and for the fiscal years ended December 31, 2000 and (iii) the Balance Sheet.

1.33 "GAAP" shall mean auditing standards generally accepted in the United States of America.

1.34 "Governmental Entity" shall mean any United States federal, state or local or Canadian federal, provincial or municipal or any foreign government, governmental, regulatory or administrative authority, subdivision, agency or commission or any court, tribunal, or judicial or arbitral body.

1.35 "Intangible Property" shall mean any and all intangible assets (including all rights to sue for past infringement) owned by or used in connection with the Business, including, without limitation, all (i) trademarks, service marks, trade dress, logos and trade names together with all translations, adaptations, derivations and combinations thereof and all applications, registrations and renewals in connection therewith, (ii) copyrightable works, copyrights, and all

applications, registrations and renewals in connection therewith, (iii) inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, reexamination thereof and royalties, (iv) computer software (subject to the applicable license or other agreement that gives rise to the right of Sellers to use such software) and all documentation relevant thereto, (v) know-how, processes, technology, blueprints and designs utilized in or incident to the Business as presently conducted or as being developed, (vi) right, title and interest in the names, "FWD Corporation," "Acrialscope, Inc.," "Almonte Fire Trucks Co.," "FWD," "Seagrave," "Aerialscope," "Almonte" and any derivatives or combinations thereof, (vii) franchises, (viii) the goodwill associated with the Business and the right to carry on the Business as a going concern, (ix) Sellers' right, title and interest in any website or webpages, including, without limitation the content, software, applications and documentation related thereto and any domain names, URL's and derivatives thereof, as well as all e-mail addresses used in the Business, (x) telephone numbers and post office boxes relating to the Owned Real Property or used in the Business, (xi) plans and specifications and other architectural and engineering drawings of the improvements in the Leased Real Property and the Owned Real Property, (xii) warranties and other contract rights related to construction, operation, ownership or maintenance of the Owned Real Property; and (xiii) governmental, court or administrative permits, approvals, licenses, authorizations, consents, orders, filing or registrations.

1.36 "Indemnified Party" shall have the meaning set forth in Section 11.3(a).

1.37 "Indemnifying Party" shall have the meaning set forth in Section 11.3(a).

1.38 "Interests" shall have the meaning set forth in Section 9.3.

1.39 "Inventory" shall mean all raw materials, component parts, work-in-process, finished goods, apparatus, used apparatus and demonstration apparatus (as long as not included in another asset category) and firefighting equipment held for sale as part of the Business and related spare parts, packaging and other supplies owned by Sellers.

1.40 "Leased Real Property" shall mean all of Sellers' right, title and interest, whether as lessor or lessee, of, in and to the Leases and the Real Property subject to the Leases.

1.41 "Leases" shall mean all leases and subleases relating to the Acquired Assets, Leased Real Property or Owned Real Property to which any Seller is a party, whether as lessor or lessee, together with all amendments and modifications thereto.

1.42 "Liability" shall mean any direct or indirect, primary or secondary, liability, indebtedness, obligation, penalty, cost, or expense (including costs of investigation, collection, and defense), claim, deficiency, guaranty, or endorsement of or by any Person (other than endorsements of notes, bills, checks, and drafts presented for collection or deposit in the ordinary course of business) of any type, whether accrued, absolute or contingent, liquidated or unliquidated, matured or unmatured, or otherwise.

1.43 "Lien" shall mean any conditional sale agreement, charges, defect of title, easement, encroachment, encumbrance, hypothecation, infringement, lien, mortgage, pledge,

reservation, restriction, security interest, title retention, or other security arrangement, or any adverse right or interest, charge, or claim of any nature whatsoever of, on, or with respect to any property or property interest, other than liens for Taxes not yet due and payable.

1.44 "Material" for purposes of this Agreement shall be determined in light of the facts and circumstances of the matter in question; provided that any specific monetary amount stated in this Agreement shall determine materiality in that instance.

1.45 "Material Adverse Effect" on a Party shall mean an event, change, or occurrence which, individually or together with any other event, change, or occurrence, has or might have a Material adverse impact on (i) the financial condition, results of operations, or business of such Party and, except where otherwise indicated, in the case of Sellers, Sellers taken as a whole, or (ii) the ability of such Party to perform its obligations under this Agreement or to consummate the transactions contemplated by this Agreement, provided that "Material Adverse Effect" shall not be deemed to include the impact of (a) changes in Laws of general applicability to manufacturers of fire apparatus or distribution and firefighting equipment or interpretations thereof by Governmental Entities, (b) changes in GAAP or regulatory accounting principles generally applicable to manufacturers of fire apparatus or equipment, (c) conditions affecting the economy generally, (d) actions and omissions of a Party (or any of its Subsidiaries) taken with the prior written consent of the other Party in contemplation of the transactions contemplated hereby, and (e) the compliance with the provisions of this Agreement on the operating performance of Sellers and Buyer.

1.46 "Minimum Threshold" shall have the meaning set forth in Section 11.8.

1.47 "Non-competition Agreement" shall mean the Non-competition Agreement dated as of the Closing Date in the form and substance of Exhibit D to be executed by Buyer, Parent, Sellers, Randolph W. Lenz and James M. Green.

1.48 "Note" shall have the meaning set forth in Section 3.2(a)(ii).

1.49 "Other Assets" shall mean all properties and Assets of Sellers used in the Business, other than Excluded Assets, Real Property, Inventory, Equipment, Intangible Property, Books and Records and Accounts Receivable (whether or not such properties and Assets are set forth on the Financial Statements), (i) that are owned by any of Sellers or (ii) are used in the Business, or (iii) are held in trust or otherwise in connection with the Employee Benefit Plans and the Retirement Plans, or (iv) in which any of the Companies have any right, title or interest, including, without limitation, insurance policies, and causes of action, judgments, claims (except for claims for tax refunds) and demands of whatever nature of Sellers, tangible and intangible personal property of all kinds of Sellers, deferred charges, advance payments, security deposits, prepaid items, claims for refund (except for claims for tax refunds), rights of offset and credits of all kinds, all credit balances of or inuring to the benefit of Sellers under any state unemployment compensation plan or fund or workers' compensation plan or fund, purchase orders, contracts, leases, rights under any joint venture agreements or arrangements or other agreements of any of the Companies.

1.50 "Other Documents" shall mean any and all agreements, statements, certificates, schedules, opinions, instruments and other documents required or contemplated hereunder or under any of the Related Agreements.

1.51 "Owned Real Property" shall mean all those certain lots or parcels of land together with all improvements, buildings and structures located thereon, all as more particularly described in Schedule 1.51 hereto, together with all pipelines, fixtures and appurtenances, easements, interests and other rights which are appurtenant to the Owned Real Property, including, but not limited to, all right, title and interest, if any, of any Seller in and to any land lying in any street, road or avenue in front of or adjoining the Owned Real Property and in any water, sewer and utility pipes of and facilities in or appurtenant to the Owned Real Property and in any contract rights, governmental permits, approvals or licenses relating to the Owned Real Property to the extent that such contract rights, governmental permits, approvals and licenses are assignable by any Seller.

1.52 "Party" shall mean any of the parties to this Agreement and "Parties" shall mean all of them collectively.

1.53 "Permitted Exceptions" shall mean those matters described on Schedule 1.53 attached hereto.

1.54 "Person" shall mean a natural person or any legal or commercial entity, or Governmental Entity, such as, but not limited to, a corporation, general partnership, joint venture, limited partnership, limited liability company, trust, business association, bank, group acting in concert, or any Person acting in a representative capacity.

1.55 "Purchase Price" shall mean the purchase price set forth in Section 3.2 hereof.

1.56 "Related Agreements" shall mean the Assignment and Assumption Agreement, Bill of Sale, Deeds, Non-competition Agreement, Note and Closing Statement.

1.57 "Real Property" shall mean the Owned Real Property and the Leased Real Property.

1.58 "Real Property Leases" means the Leases relating to the Real Property.

1.59 "Regulations" means the Treasury Regulations (including, without limitation, Temporary Regulations) promulgated by the United States Department of Treasury with respect to the Internal Revenue Code or other federal Tax statutes.

1.60 "Retirement Plan" shall mean any plan, trust, contract or policy which is sponsored by any of the Companies or to which any of the Companies contributes and in which any current or former employees of any of the Companies participate, and that provides any pension, retirement, profit sharing or similar retirement benefit to any current or former employees of any of the Companies, whether or not such plan, trust, contract or policy is an "employee benefit plan" within the meaning of Section 3(3) of ERISA.

1.61 "Schedules" shall mean the schedules to this Agreement, as referred to herein.

1.62 "Seller-Sponsored Plans" shall have the meaning set forth in Section 4.23(a).

1.63 "Shared Liability" shall have the meaning set forth in Section 3.5.

1.64 "Subsidiaries" shall mean all those entities of which the Person in question owns or controls 50% or more of the outstanding equity securities either directly or through an unbroken chain of entities as to each of which 50% or more of the outstanding equity securities is owned directly or indirectly by its parent; provided, there shall not be included any such Person acquired through foreclosure or any such Person the equity securities of which are owned or controlled in a fiduciary capacity.

1.65 "Taxes" means (i) any United States federal, state, local, Canadian federal, provincial, municipal foreign or other tax, governmental fee, assessment levies, fees or charge of any kind whatsoever (including any tax imposed under Subtitle A of the Code and any net income, alternative or add-on minimum tax, gross income, gross receipts, sales, goods and services use, ad valorem, value added, capital transfer, recording, documentary, conveyance, privilege, registration, gains, duties, franchise, profits, license, withholding tax on amounts paid, payroll, employment, excise, severance, stamp, capital stock, occupation, real property, personal property, use and occupancy, business and occupation, mercantile, goods and services, environmental or windfall profit tax, premium, custom, duty or other tax), together with any interest, penalty, addition to tax or additional amount due, imposed with respect thereto by any Governmental Entity (domestic or foreign) responsible for the imposition of any such tax, (ii) any Liability for the payment of any amount of the type described in clause (i) above as a result of a party to this Agreement being a member of an affiliated, consolidated or combined group with any other corporation at any time on or prior to the Closing Date and (iii) any Liability of any person with respect to the payment of any amounts of the type described in clause (i) of (ii) above as a result of any express or implied obligation of such person to indemnify any other person.

1.66 "Title Company" shall mean the title insurance company selected by Buyer.

1.67 "Title Policy" shall mean the owner's policy of title insurance and lender's policy of title insurance pursuant to Section 6.1(c) hereof.

1.68 "Trade Payables" shall mean all of the Companies' trade accounts payable incurred by the Companies in the ordinary course of the Business as historically reflected on the Financial Statements.

1.69 "Transferred Employees" shall have the meaning set forth in Section 10.6.

1.70 "Unions" shall have the meaning set forth in Section 4.22.

1.71 "Union Contracts" shall have the meaning set forth in Section 4.22.

1.72 "Vehicle Bills of Sale" shall mean the bills of sale dated as of the Closing Date evidencing the transfer of the Company Cars from US Sellers to US Buyer and from Almonte to CN Buyer, substantially in the form of Exhibit E hereto, and the individual title to each vehicle endorsed by the appropriate Seller for transfer to Buyer.

1.73 "Working Capital" shall mean current assets less current liabilities, in each case as reflected on the Closing Balance Sheet.

ARTICLE 2: PURCHASE AND SALE OF ACQUIRED ASSETS

2.1 Acquired Assets.

(a) Subject to the terms and conditions of this Agreement, at the Closing, US Sellers shall sell, convey, transfer and assign pursuant to a Bill of Sale, Vehicle Bill of Sale, Assignment and Assumption Agreement and Deeds all of US Sellers' right, title and interest in and to the Acquired Assets of, and the Business conducted by, US Sellers to US Buyer, and US Buyer shall purchase, all of US Sellers' right, title and interest in and to such Acquired Assets and such Business, free and clear of all Liens other than Permitted Exceptions.

(b) Subject to the terms and conditions of this Agreement, at the Closing, Almonte shall sell, convey, transfer and assign pursuant to a Bill of Sale, Vehicle Bill of Sale, Assignment and Assumption Agreement and Deeds all of Almonte's right, title and interest in and to the Acquired Assets of, and the Business conducted by, Almonte to CN Buyer, and CN Buyer shall purchase, all of Almonte's right, title and interest in and to such Acquired Assets and such Business, free and clear of all Liens other than Permitted Exceptions.

2.2 Assumption of Liabilities.

(a) Subject to the terms and conditions of this Agreement, at the Closing, US Buyer shall assume the Assumed Liabilities of US Sellers. Except for the Assumed Liabilities of US Sellers, US Buyer shall assume no Liabilities of Sellers.

(b) Subject to the terms and conditions of this Agreement, at the Closing, CN Buyer shall assume the Assumed Liabilities of Almonte. Except for the Assumed Liabilities of Almonte, CN Buyer shall assume no Liabilities of Sellers.

2.3 Allocation of Purchase Price. The Purchase Price and all other consideration contemplated by this Agreement shall be allocated (such allocations, the "Purchase Price Allocations") in accordance with this Section 2.3. Without limiting the generality of the foregoing, the Purchase Price Allocations will include the allocation of amounts payable under the Note by US Buyer to US Sellers and by CN Buyer to Almonte. As promptly as practicable after the Closing Date, but in no case later than the date of delivery by Buyer of the Closing Balance Sheet, Buyers shall prepare or cause to be prepared, and shall submit to Sellers, a draft version of the Purchase Price Allocations, which shall be prepared in accordance with Section 1060 of the Code and the applicable Treasury regulations thereunder. If Sellers wish to dispute the Purchase Price allocations, Sellers may do so in accordance with the procedures set forth in Section 3.4(c) and such Section 3.4(c) shall apply *mutatis mutandis*, to such dispute. The Parties shall report the Tax consequences of the transactions contemplated by this Agreement in a manner consistent with the Purchase Price Allocations, as determined pursuant to this Section 2.3 and shall not take any action or position that is inconsistent therewith.

2.4 Assignment of Contracts and Rights. Nothing in this Agreement shall be construed as an attempt to assign any claim, contract, license, lease, commitment, sales order, purchase order or any claim or right, or any benefit arising thereunder or resulting therefrom, that is nonassignable as a matter of law or is nonassignable without the prior consent of another party thereto. Sellers shall use reasonable commercial efforts to cooperate with Buyer in obtaining the benefits of such claims, contracts, licenses, leases, commitments, sales orders or purchase orders, with any expense associated therewith paid by Buyer as more fully described in Section 9.3.

2.5 Further Documents and Statements. Sellers shall execute and deliver, without further consideration, such documents and instruments in addition to those provided for herein as may be reasonably requested by Buyer to transfer to and vest in Buyer title to and possession of the Acquired Assets, whether at or after the Closing, including but not limited to, such confirmatory conveyances and assignments as may be reasonably requested; provided, however, that Buyer shall reimburse Sellers for their reasonable out-of-pocket expenses in connection with any such action taken by Sellers following the Closing, except to the extent that such action is taken to cure a breach of warranty or other breach of this Agreement by Sellers.

ARTICLE 3: PURCHASE PRICE AND CLOSING

3.1 Closing. The Closing shall take place at the offices of Klehr, Harrison, Harvey, Branzburg & Ellers, LLP, 260 S. Broad Street, Philadelphia, Pennsylvania at 10:00 a.m. on April 30, 2003 or such other location and date as the parties may mutually agree; provided however, that Buyer shall have the right to extend the Closing to on or before May 5, 2003. The date on which the Closing actually takes place is referred to herein as the "Closing Date". All proceedings to be taken and all documents to be executed and delivered by the parties at the Closing shall be deemed to have been taken and executed simultaneously, and no proceeding shall be deemed taken nor any document executed and delivered until all have been taken, executed and delivered.

3.2 Purchase Price and Payment Thereof. The purchase price for the Acquired Assets (the "Purchase Price") shall be up to $36,800,000, plus the assumption of the Assumed Liabilities, payable as follows:

(a) $33,800,000, subject to adjustment pursuant to Section 3.4, and payable as follows:

(i) At the Closing, Buyer shall pay to or for the account of Sellers to Seagrave in immediately available funds the sum of $30,800,000, subject to adjustment as set forth in Section 3.4;

(ii) At the Closing, Buyer shall deliver to Sellers a junior subordinated promissory note made by Buyer payable to Sellers in the original principal amount of $3,000,000 bearing simple interest at the rate of 10% per annum payable in full on the fifth anniversary of the Closing, with interest payable quarterly in cash, which note shall be in the form of Exhibit F (the "Note"). The Note will be subject to offset as provided in this Agreement or the Related Agreements;

(b) Buyer shall assume the Assumed Liabilities; and

(c) Sellers will also be entitled to receive additional cash payments from Buyer ("Earnout Payments") equal to 35% of EBITDA in excess of $8,000,000 for each of the calendar years 2004, 2005 and 2006 (the "Earnout Years"), in a cumulative payment amount for all of the Earnout Years combined not to exceed the lesser of (i) $3,000,000 or (ii) 35% of the cumulative EBITDA in excess of $8,000,000 for each Earnout Year measured as of the end of the Earnout Year for which the Earnout Payment is being calculated (i.e., 35% of the cumulative EBITDA to the measurement date in excess of (X) $8,000,000 in 2004, (Y) $16,000,000 in 2005 and (Z) $24,000,000 in 2006). The annual calculation of the Earnout Payment due will be based on the audited financial statements of Buyer and will be paid on or before 160 days after the end of the fiscal year of Buyer for which such Earnout Payment is payable. Notwithstanding anything to the contrary set forth in this Agreement, Buyer shall not be entitled to a refund of any previously paid Earnout Payments, even if pursuant to the formula set forth above the cumulative Earnout Payment calculated in 2005 or 2006 is less than the amount previously paid to Seller hereunder. For clarity, if (I) EBITDA in, 2004 is $10,000,000, the Earnout Payment is $700,000 (35% X $2,000,000), (II) EBITDA in 2005 is $7,000,000, no Earnout Payment is due or payable and no refund is due or payable to Buyer, even though the cumulative limit on all Earnout Payments through Earnout Year 2005 is $350,000 (cumulative EBITDA of $17,000,000-$16,000,000 =$1,000,000 X 35%=$350,000) and (III) EBITDA in 2006 is $12,000,000, the Earnout Payment is $1,050,000 (cumulative EBITDA of $29,000,000-$24,000,000=$5,000,000 X 35%=$1,750,000-$700,000 previously paid.

(d) Other than the Assumed Liabilities, any indebtedness of the Sellers that is owed to any Person and secured by Liens on any of the Acquired Assets, shall be paid by Sellers at or before the Closing. Buyer may pay any such indebtedness on Sellers' behalf and deduct the amount of such payment from the cash portion of the Purchase Price.

3.3 Taxes. Buyer shall pay the sales and land transfer taxes imposed under Canadian and provincial law in connection with the transfer of the Acquired Assets of Almonte and vehicle sales taxes imposed in Wisconsin (collectively, the "Buyer Taxes"). Other than the Buyer Taxes, Sellers shall be responsible for the payment of all assessments, ad valorem, real estate and other Taxes with respect to the Owned Real Property and the Leased Real Property, personal property and all other Assets through the Closing Date. Other than the Buyer Taxes, all excise, sales, use, registration, license, stamp, recording, privilege, documentary, ad valorem, conveyance, franchise, real and personal property, transfer, gross receipts, gains, duties, and similar Taxes, levies, charges, and fees (collectively, the "Transfer Taxes") incurred in connection with the transactions contemplated by this Agreement shall be borne by Sellers. Sellers shall prepare in a true, correct, and complete manner and timely file all relevant tax returns required to be filed in respect of such Transfer Tax, shall pay the Transfer Tax shown on such Tax returns, and shall notify Buyer in writing of the Transfer Tax shown on such tax returns and how such Transfer Tax was calculated. If after the Closing Date there is a determination, adjustment, assessment or reassessment by any Governmental Entity with respect to, or affecting, any Taxes for the Owned Real Property and the Leased Real Property, personal property and all other Assets for the year of the Closing Date or any prior year, any additional Tax payment with respect to any such prior

year and the portion of any additional Tax payment relating to the period prior to the Closing for the year of the Closing Date for the Owned Real Property and the Leased Real Property, personal property and all other Assets required to be paid shall be paid by Sellers, and Sellers shall pay such additional Tax payment to Buyer within ten (10) days after receipt of written notice from Buyer to reimburse Buyer in the event Buyer elects to pay such Tax directly to the taxing authority on behalf of Sellers; provided that Buyer shall not pay such additional Tax payment on behalf of Sellers if the failure to pay will not result in the imposition of any Lien upon the Owned Real Property and the Leased Real Property, personal property and all other Assets and Sellers are contesting such Taxes in good faith. Buyer shall be responsible for the payment of all ad valorem and other Taxes with respect to the Owned Real Property for all periods after the Closing Date. Sellers shall pay all Taxes relating to Real Property for all periods prior to Closing on or before the Closing Date, except to the extent reflected as a current liability on the Closing Balance Sheet. Sellers and Buyer further acknowledge and agree that, to the extent an exemption may be obtained or is applicable with respect to the payment of any Taxes relating to the Acquired Assets, including, without limitation, Taxes payable under the Retail Sales Tax Act (Ontario), Sellers and Buyer, as the case may be, shall, upon the request of the other, do, execute and deliver such further certificates, exemption certificates, documents or assurances as be required for the better carrying out and performance of this Section 3.3. Almonte and CN Buyer shall jointly prepare and file the required election in the prescribed form in order to permit the Acquired Assets of Almonte to be conveyed without the goods and services taxes becoming applicable in respect thereof.

3.4 Adjustment to Purchase Price.

(a) At least five business days prior to the Closing, Sellers shall deliver to Buyer an estimated Closing Balance Sheet (the "Estimated Closing Balance Sheet"), which shall be reasonably acceptable to Buyer. If Working Capital as reflected on the Estimated Closing Balance Sheet ("Estimated Closing Working Capital") is less than $4,806,482, the cash portion of Purchase Price payable at Closing shall be reduced by the amount of such deficiency.

(b) As promptly as practicable after the Closing, but in any event within ninety (90) days thereafter, Buyer shall prepare or cause to be prepared, and shall submit to Sellers the Closing Balance Sheet. If Working Capital as reflected on the Closing Balance Sheet ("Final Closing Working Capital") is less than Estimated Closing Working Capital, Buyer shall offset the amount of such deficiency against the amount payable under the Note, which adjustment shall be effective as of the Closing Date, or the Earnout Payments. In the event that the amount payable under the Note is adjusted pursuant to this Section 3.4(b), Seller shall deliver to Buyer the original Note issued at the Closing marked "canceled" and Buyer shall deliver to Sellers a new Note in the adjusted principal amount, dated as of the Closing.

(c) If Sellers dispute any item in the calculation of Final Closing Working Capital, Sellers shall notify Buyer in writing (a "Dispute Notice"), of each disputed item and specify the amount thereof in dispute within 30 days after delivery to Sellers of the Final Closing Balance Sheet. The determination of Final Closing Working Capital shall become final and binding upon the Parties if no dispute relating thereto shall have been

asserted within such 30 day period. If Buyer and Sellers cannot resolve any such dispute within 30 days after delivery of such Dispute Notice, then upon demand of either party, such dispute will be resolved by an independent accounting firm mutually acceptable to Buyer and Sellers. If Buyer and Sellers cannot agree upon a mutually acceptable independent accounting firm within 10 days of such demand, Buyer and Sellers will each select a nationally recognized independent accounting firm, and the two independent accounting firms so selected shall select a third nationally recognized independent accounting firm. Such third independent accounting firm shall resolve the dispute and, in absence of manifest error, such resolution will be final and binding on the parties. Costs of such resolution shall be borne by the unsuccessful (or less successful) party as determined by the independent accounting firm.

3.5 Shared Liabilities. The following liabilities and obligations relating to the Business and the Acquired Assets (the "Shared Liabilities") shall be shared between Buyer and Sellers as follows:

(a) Sellers shall pay all utility charges for all periods prior to Closing on or before the Closing Date, except to the extent reflected as a current liability on the Closing Balance Sheet. With respect to utility charges that relate to a billing period beginning before the Closing Date and ending after the Closing Date, the responsibility for payment shall be prorated between the parties on the basis of measured utility usage before and after the Closing Date (if meter or other measured service readings are made at or near such time) or otherwise on the basis of the proportional number of calendar days in the relevant billing period before and after the Closing Date, respectively;

(b) Sellers shall pay all rents and other charges under the Leases for all periods prior to Closing on or before the Closing Date, except to the extent reflected as a current liability on the Closing Balance Sheet. With respect to rentals payable on leased property included as part of the Acquired Assets that relate to lease periods beginning before and ending after the Closing Date, the responsibility for payment will be allocated between the parties on the basis of the proportional number of calendar days in the relevant lease period before and after the Closing Date, respectively and, in the case of Sellers' Virginia facility, as provided in Section 10.11; and

(c) With respect to ad valorem property, real estate and similar Taxes for the applicable Tax year, the responsibility for payment will be allocated between the parties on the basis of the proportional number of calendar days in the relevant Tax year before and after the Closing Date, respectively.

If either party pays all or any portion of the Shared Liabilities for which the other party is entirely or partially responsible hereunder, then the responsible party will promptly (but in no event later than thirty (30) days after demand by the paying party) reimburse the paying party for that payment, provided that any demand for reimbursement shall be accompanied by appropriate evidence of payment thereof.

ARTICLE 4: REPRESENTATIONS AND WARRANTIES OF SELLERS AND PARENT

Sellers and Parent hereby jointly and severally represent and warrant to Buyer that:

4.1 Organization and Good Standing. Seagrave and Aerialscope are corporations duly organized and validly existing under the laws of the States of Wisconsin and Delaware, respectively, Almonte is an unlimited liability company duly organized and validly existing under the laws of the Province of Nova Scotia. SSS is a limited liability company duly organized under the laws of the State of Delaware. No Company is qualified as a foreign corporation in any jurisdiction other than as set forth on Schedule 4.1. Sellers have not received any notice from any Governmental Entity alleging that any of the Sellers were required to qualified to do business in any jurisdiction, nor has Sellers' failure to qualify to do business in any other jurisdiction caused Sellers any material adverse consequences. Specifically, Sellers have never been denied any bid proposal as a result of this failure to qualify to do business in any jurisdiction.

4.2 Due Authorization, Binding Obligation. Each of Sellers and Parent have all requisite power and authority to enter into this Agreement and all Related Agreements and to perform its obligations hereunder and thereunder and each of Sellers has authorized the execution, delivery and performance of this Agreement and all Related Agreements by all necessary corporate action. This Agreement and all Related Agreements have been duly executed and delivered by each of Sellers and are, and upon execution and delivery will be, the valid and legally binding obligation of each of Sellers, enforceable in accordance with their terms.

4.3 Parent and Subsidiaries.

(a) Parent owns all the issued and outstanding shares or ownership interests of each US Seller. Parent is the sole limited partner of, and owns a 98% interest in, Almonte Investments. Fremar, LLC is the sole general partner of, and owns a 2% interest in, Almonte Investments. Stacie Daley and Corbett Lenz own all of the membership interests of Fremar, LLC. Almonte Investments owns all of the issued and outstanding shares or ownership interests of Almonte. Parent has good, valid and marketable title to the shares or ownership interests of each of the Companies and is the sole record or beneficial owner of all issued and outstanding shares or ownership interests of each of the Companies, free and clear of any and all Liens. All of the issued and outstanding shares or ownership interests of each of the Companies are duly and validly issued and outstanding and are fully paid and were issued pursuant to valid exemptions from registration under all applicable laws. None of the outstanding shares or ownership interests of any of the Companies have been issued in violation of any preemptive rights of the current or past shareholders of the Companies. No shares or ownership interests of the Companies are held in treasury. There are no outstanding rights of any character relating to the shares or ownership interests of any of the Companies and no securities convertible into or exchangeable for any of such shares or ownership interests. All of the issued and outstanding shares or ownership interests of the Companies are described on Schedule 4.3.

(b) Except as set forth on Schedule 4.3, there are no corporations, associations, partnerships, joint ventures or other entities in which any of the Companies owns any equity interest or which it controls, directly or indirectly.

(c) The issued and outstanding shares of capital stock of Parent are as of the date of this Agreement, and will be as of the Closing Date, owned as set forth on Schedule 4.3.

4.4 Governmental Approval. Except for the consents listed on Schedule 4.5, the execution, delivery and performance of this Agreement by each of Sellers and the consummation of the transactions provided for herein are not subject to the jurisdiction, approval or consent of any Governmental Entity.

4.5 No Approvals or Notices Required; No Conflict with Other Instruments. Except as described on Schedule 4.5, the execution, delivery and performance of this Agreement by each of Sellers and the consummation of the transactions contemplated hereby will not (a) violate (with or without the giving of notice or the lapse of time or both) or require any consent or approval, filing or notice under any provision of law, and will not require any consent, approval or notice under and will not conflict with, or result in the breach or termination of any provision of, or constitute a default under, or result in the acceleration of the performance of the obligations of any of the Companies or Parent under such Company's or Parent's Articles of Incorporation or bylaws, or pursuant to any indenture, mortgage, deed of trust, Lease, license agreement, contract, instrument or other agreement, or any order, judgment or decree to which any of Sellers or Parent are a party or by which any of Sellers or Parent or any of the Acquired Assets is bound or (b) result in the creation of any Lien, charge or encumbrance upon any of the Acquired Assets.

4.6 Financial Condition. The Companies have no Liabilities or obligations except for those (i) reflected or reserved on the Financial Statements, (ii) incurred or accrued in the ordinary course of business since the Balance Sheet Date, (iii) set forth in Schedule 4.6, or (iv) arising under or relating to the Assumed Agreements. The Financial Statements (including the notes thereto) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby, fairly, and in all material respects present the financial condition and results of operations and cash flows of Sellers as of the dates and for the periods indicated (subject, in the case of interim financial statements, to normal and recurring year-end adjustments), reflect all accruals required by GAAP, and are consistent with the books and records of Sellers. No Seller has made any material changes in the accounting policies that they use to prepare their respective financial statements since January 1, 1998. Except as and to the extent set forth or reserved against on the Financial Statements, no Seller has any liabilities or obligations of any nature (whether accrued, absolute, contingent or otherwise) that would be required to be reflected on a balance sheet or in notes thereto prepared in accordance with GAAP, except for immaterial liabilities or obligations incurred in the ordinary course of business consistent with past practice since December 31, 2002.

4.7 Absence of Certain Changes. Except as set forth on Schedule 4.7, since December 31, 2002, each of the Companies has conducted the Business only in the ordinary

course of business in accordance with such Company's past practices (without extraordinary or unusual transactions) and none of the Companies has:

(a) Suffered any change, event or condition, which individually or in the aggregate has had or could reasonably be expected to have a Material Adverse Effect on the Sellers;

(b) Suffered any damage, destruction or loss to the Acquired Assets (whether or not covered by insurance) that has had or could reasonably be expected to have a Material Adverse Effect on the Sellers;

(c) Acquired or disposed of any Assets other than in the ordinary course of business;

(d) Instituted, settled or agreed to settle any litigation, action or proceeding before any Governmental Entity that in any way adversely affects the Acquired Assets;

(e) Entered into any agreement relating to the Acquired Assets, other than agreements for the purchase or sale of inventory, packaging, or supplies in the ordinary course of business;

(f) Created, assumed or permitted to exist any Lien on any of the Acquired Assets;

(g) Failed to perform in any material respect any obligations under any Assumed Agreement;

(h) Sold, transferred, leased or otherwise disposed of any of its properties or Assets, except for sales of Inventory in the ordinary course of business and except for sales of other nonmaterial Assets in the ordinary course of business, or canceled, compromised, waived or released any right or claim of substantial value;

(i) Instituted or changed any bonus, profit sharing, pension, retirement, health, welfare or other similar arrangement or plan (each a "Plan") or made any contribution or payment to any Plan except as required by the terms of such Plan as in effect on December 31, 2002 and the renegotiation of the collective bargaining agreement with PACE International Union Local 7-0815 as of January 8, 2003 and the renegotiation of the OPEIU Local 95 collective bargaining agreement expected to be concluded during April, 2003;

(j) Made any increase in the compensation or benefits payable to any employee or instituted or changed any bonus, percentage of compensation or other like benefit to or for the credit of any employee other than in the ordinary course of business;

(k) Suffered any change, event or condition (including, without limitation, the loss of any customer or supplier) which has had or could reasonably be expected to have a Material Adverse Effect on the condition (financial or otherwise) of its properties, Assets, Liabilities, or business;

(l) Incurred any obligation or Liability, absolute, contingent or otherwise, whether due or to become due, other than in the ordinary course of business consistent with such Company's past practices;

(m) Made any write down of the value of any of the Acquired Assets;

(n) Taken any action that would interfere with or prevent performance of this Agreement;

(o) Redeemed any of its shares;

(p) Made any material changes in the customary methods of operations, including, without limitation, purchasing, marketing, selling, servicing, pricing, investing or accounting practices and policies;

(q) Merged with, entered into a consolidation with or acquired any interest of 5% or more in any Person or acquired a substantial portion of the Assets or business of any Person or any division or line of business thereof, or otherwise acquired any Assets other than in the ordinary course of business;

(r) Issued or sold any shares or any other interest in Sellers;

(s) Revalued or restructured any of the Acquired Assets;

(t) Incurred any Liability in excess of $50,000 in any individual instance or in the aggregate other than purchase and sales orders in the ordinary course of business;

(u) Amended or modified in any material respects, or consented to the termination of, any material contract or Sellers' rights thereunder other than change orders in the ordinary course of business;

(v) Terminated, discounted, closed or disposed of any office, facility or other business operation, or laid off any employees (other than less than 10 employees in the ordinary course of business consistent with past practice) or implemented any early retirement, separation or program providing early retirement window benefits within the meaning of Section 1.401(a) – 4 of the Regulations or any other relevant legislation or announced or planned any such action or program for the future;

(w) Settled or compromised any Liability, with respect to Taxes owed by the Companies;

(x) Settled or compromised any Account Receivable;

(y) Reduced the sales price under any outstanding purchase order of a customer other than change orders in the ordinary course of business;

(z) Disclosed any confidential Books and Records or any Intellectual Property (other than as requested by Buyer) or permitted to lapse or abandoned any Intellectual

Property (or any registration or grant thereof or any application related thereto) to which, or under which, Sellers have any right, title, interest or license and which is material to the Business; or

(aa) Agreed to do any of the foregoing.

4.8 Title. Sellers (a) have good, valid and marketable title to, and ownership of, all of the Acquired Assets, including fee simple ownership of all of the Owned Real Property, free and clear of all Liens except the Permitted Exceptions; (b) subject to obtaining the consents set forth on Schedule 4.5, have the right to convey the Acquired Assets to Buyer free and clear of all Liens except the Permitted Exceptions; and (c) will defend the title to the Acquired Assets in Buyer against the claims of all Persons whomsoever. Except as disclosed in Schedule 4.8, Sellers have and shall convey to Buyer at the Closing good and marketable title to all of the Acquired Assets, including fee simple ownership of all of the Owned Real Property, free and clear from all Liens other than Permitted Exceptions.

4.9 Assets. Except for the Excluded Assets, the Acquired Assets constitute all the property and rights which have been used by the Companies in the normal course of business and are all of the assets necessary for Buyer to conduct the Business after the Closing in the same manner and volume as conducted by Seller prior thereto. Set forth on Schedule 4.9 is a complete and accurate list of all items of inventory and machinery and equipment of Sellers as of March 31, 2003. Except as provided on Schedule 4.9, all such machinery and equipment is suitable and in adequate operating condition for the purpose for which it is presently used. Except as set forth on Schedule 4.9 and subject to a reserve determined in accordance with GAAP and consistent with the past practices of Sellers, none of such inventory is damaged, defective or obsolete,

4.10 Licenses and Permits. Sellers have all necessary licenses, permits, consents and approvals (collectively "Permits") from all appropriate Governmental Entities required for the operation of the Business, all of which are described on Schedule 4.10, and there has occurred no default under any such Permits that has any continuing effect, and there is no current default under any such Permits. Sellers have not received any notification or communication from any Governmental Entity (i) asserting that Sellers are not in compliance with any of the laws, regulations or orders which such Governmental Entity enforces, (ii) revoking or threatening to revoke any Permits, or (iii) requiring Sellers (x) to enter into or consent to the issuance of a cease and desist order, formal agreement, directive, commitment, or memorandum of understanding, or (y) to adopt any resolution or similar undertaking, which restricts in any material manner the conduct of its business, or in any material manner relates to its management.

4.11 Real Property.

(a) To the knowledge of Sellers, the Real Property is not subject to any covenant or restriction preventing or limiting in any respect the consummation of the transactions contemplated hereby.

(b) The buildings, structures and other improvements located on the Real Property and the mechanical systems situated therein, including, without limitation, the

heating, electrical, air conditioning and plumbing systems, have been maintained by Sellers in a prudent manner and are suitable for their current use.

(c) The uses for which the Real Property is zoned permits the use and occupancy thereof for the Business consistent with past practices, the use and occupancy of the Real Property by the Companies is in compliance in all material respects with all regulations, codes, ordinances and statutes applicable to the Companies and the Business, and Sellers have not received any notice asserting any material violation of sanitation laws and regulations, building codes or zoning ordinances, occupational safety and health regulations, or electrical codes. All improvements on the Real Property comply with current zoning and building ordinances applicable thereto, giving effect to any applicable "grandfather clauses" or similar law or regulation allowing for compliance with zoning and building ordinances and/or by-laws in effect at the time of an improvement.

(d) There are no facts relating to Sellers and, to the knowledge of Sellers, no facts relating to any other party, that would prevent the Real Property from being occupied and used by Buyer or any assignee of Buyer after the Closing Date in the same manner as used immediately prior to the Closing Date by Sellers.

(e) The Real Property constitutes all of the real property owned, leased or used by Sellers in the operation of the Business.

(f) Schedule 4.11 attached hereto lists, as of the date hereof, all of the Real Property Leases. True and complete copies of the Real Property Leases and all amendments and material agreements relating thereto have been delivered by Sellers to Buyer. To the knowledge of Sellers, all of the Real Property Leases are valid, binding and enforceable in accordance with their respective terms, and neither Sellers nor, to the knowledge of Sellers, any other party to any Real Property Lease is in default under such Real Property Lease.

(g) Sellers have timely paid all Taxes levied or imposed with respect to the Real Property. No Liens for Taxes have been filed and remain outstanding on any Real Property and no claims are being asserted with respect to any Taxes, other than liens or claims for taxes not yet due which are being contested in good faith by appropriate proceedings.

(h) No portion of the Real Property is subject to any abatement, reduction, deferral or rollback with regard to real estate Taxes or any other type of agreement or arrangement which would result in the Business being subject to the imposition of real estate Taxes or assessments after Closing on account of any periods prior to Closing.

4.12 Real Property.

(a) Sellers have, and at Closing will convey to Buyer, good and marketable and fee simple title to the Owned Real Property, free and clear of all Liens other than Permitted Exceptions. Sellers have received no notice and have no actual knowledge of any pending or threatened condemnation, levies, Liens or special assessments to be made against the Real Property by any Governmental Entity.

(b) Except as set forth on Schedule 4.12(b), there are no encroachments upon the Real Property, and no portion of the buildings or any structures or improvements comprising the Real Property encroaches on any property not included therein or upon the area of any easement affecting it. The encroachments described on Schedule 4.12(b) could not reasonably be expected to have a Material Adverse Effect on Buyer's operation of the Business after the Closing.

(c) There are no pending or, to the knowledge of Sellers, threatened, actions, suits, judgments, summons or proceedings, condemnations or sales in lieu thereof arising out on any laws of any entity or authority having jurisdiction over the Real Property.

(d) There are no sale contracts, lease agreements, options to purchase or rights of first refusal with respect to the Owned Real Property or, to Sellers' knowledge, the Leased Real Property, or any aspect thereof now in effect between Sellers and any party other than Buyer.

(e) All bills for labor, services, materials and utilities and all trade accounts which are in any way connected with or arise from the development or operation of the Real Property and any improvements located thereon are current and shall be paid in full before such bills become overdue.

4.13 Non-Foreign Person. US Sellers are not foreign persons within the meanings of Sections 1445 and 7701 of the Code. Almonte is not a non-resident of Canada for purposes of the Income Tax Act (Canada).

4.14 Environmental Matters. Except as set forth on Schedule 4.14:

(a) The Sellers' use, maintenance and operation of the Real Property and, to the best of Sellers' knowledge, all prior use, maintenance and operation of the Real Property, has been and is in compliance in all material respects with all applicable United States federal, state, county or local or Canadian federal, provincial or municipal statutes, laws, regulations, rules, ordinances, codes, licenses and permits of any Governmental Entity relating to environmental matters, including by way of illustration and not by way of limitation, the Clean Air Act, the Clean Water Act, the Federal Water Pollution Control Act of 1972, the Resource Conservation and Recovery Act of 1976, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Toxic Substances Control Act (and any amendments or extensions of any of them), and all other applicable Environmental Laws;

(b) Without limiting the generality of Section 4.14(a), to the best of Sellers' knowledge, Sellers (i) have operated the Real Property, and have at all times received, handled, used, stored, treated, shipped and disposed of all hazardous substances, petroleum products, wastes and any other substances regulated under any of the Environmental Laws (collectively, "Hazardous Substances"), in compliance in all material respects with all applicable Environmental Laws, and (ii) have removed from the Real Property, including the subsurface (for purposes of Sections 4.14 and 11.1 of this Agreement, the subsurface includes the groundwater beneath the Real Property), all

Hazardous Substances released, spilled or placed at or on the Real Property or into the subsurface beneath the Real Property while the Real Property was owned or leased by Sellers and any contamination of the Real Property (including the subsurface) caused or allowed by Sellers and which was present prior to the Closing, except for any substances that were lawfully used at the Real Property by Sellers in the ordinary course of business;

(c) There are no orders or permits, and to the best of Seller's knowledge no statutes, rules or regulations, relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Real Property;

(d) (i) Sellers have not been informed that any Hazardous Substances managed by Sellers have been released into the environment, (ii) to the best of Sellers' knowledge, Sellers have not released into the environment, or deposited, discharged, placed, recycled or disposed of at, on or beneath the Real Property any Hazardous Substances, (iii) Sellers have not released into the environment, or deposited, discharged, placed, recycled or disposed of at, on or beneath any property other than the Real Property any Hazardous Substances which Sellers have reason to believe may result in liability under any applicable Environmental Laws, (iv) Sellers have not been informed that any condition constituting a threatened release of Hazardous Substances exists, (v) Sellers have not used the Real Property as a landfill or waste disposal site, and (vi) to the best of Sellers' knowledge, no Hazardous Substances are present at or on the Real Property or in its subsurface;

(e) No notice of any violation of any matter which, if true would cause any of the representations and warranties contained in Sections 4.14(a) through 4.14(d) relating to the Real Property or its use to be false or materially misleading has been received by Sellers, and there are no writs, injunctions, decrees, orders or judgments outstanding, and no lawsuits, claims, proceedings or investigations pending or, to the best of Seller's knowledge, threatened, relating to the ownership, use, maintenance or operation of the Real Property, nor is there any basis for such lawsuits, claims, proceedings or investigations being instituted or filed;

(f) To the best of Sellers' knowledge, there are no underground storage tanks located on the Real Property.

(g) Each of the Companies is in compliance with Environmental Laws, except for such noncompliance as would not have a Material Adverse Effect on the Sellers. Sellers have not received any written notice, report or other information regarding any actual or alleged violation of Environmental, Health and Safety Requirements, or any Liabilities or potential Liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), including any investigatory, remedial or corrective obligations, relating to such Company or its facilities arising under Environmental Laws; and

(h) To the best of Sellers' knowledge, there are no asbestos or asbestos containing materials on any of the Real Property.

4.15 Assumed Agreements. Sellers have made available to Buyer a correct and complete copy of each of the Assumed Agreements. To the best of Sellers' knowledge, with respect to each of the Assumed Agreements: (a) the Assumed Agreement is valid, binding, enforceable, and in full force and effect; (b) the Assumed Agreement, and the rights of the Companies are fully transferable to Buyer without any consents, except for consents to assignments of customer orders and those consents that have or will be obtained as of the Closing, (c) subject to obtaining consents to assignment of customer orders, the Assumed Agreement will continue to be valid, binding, enforceable and in full force and effect on identical terms following the consummation of the transactions contemplated hereby (including the assignments and assumptions contemplated by the Assignment and Assumption Agreement); (d) no party to the Assumed Agreement is in breach or default, and no event has occurred which with notice or lapse of time would constitute a breach or default, or permit termination, modification, or acceleration, under the agreement; and (e) no party has repudiated any provision of the Assumed Agreement.

4.16 Customers and Suppliers. Schedule 4.16(a) sets forth a true and complete list of 10 largest customers and 10 largest suppliers of Sellers as a whole for the prior twelve months ended on the Balance Sheet Date, measured by dollar volume in each case. Sellers have neither received notice or indication that any customer or supplier of any of the Companies will terminate or substantially reduce its business with the Companies, whether as a result of the transactions contemplated by this Agreement or otherwise, nor, to the knowledge of Sellers, is there a customer or supplier of any of the Companies that intends to terminate or substantially reduce its business with, or change the prices and or terms of purchase with, the Companies. Schedule 4.16(b) sets forth a true and complete list, individually by customer, of all deposits and progress payments from customers to Sellers (each such deposit or progress payment a "Customer Deposit"). Schedule 4.16(c) sets forth a true and complete list, individually by customer, of (i) each Customer Deposit made on account of purchases by Sellers from suppliers for commercial chassis, purchased custom chassis, and/or aerial devices (each an "Ordered Part"), (ii) the name of the supplier and the corresponding total cost of the Ordered Part incurred or to be incurred and (iii) the amount paid by Sellers to the supplier for the Ordered Part. There are no pending disputes related to any pending customer order.

4.17 Accounts Receivable. All Accounts Receivable, subject only to allowance for doubtful accounts set forth on the Final Closing Balance Sheet, arose only in the ordinary course of business, are not subject to any discounts, allowances or set-offs, and are collectible in the ordinary course of business in the amounts recorded in the Books and Records.

4.18 Books and Records. The Books and Records have been maintained in the ordinary course of business consistent in all material respects with good business practices.

4.19 Tax Matters.

(a) Sellers have filed all Tax and other returns and reports relating to the Business, the Acquired Assets, the Employee Benefit Plans and the Retirement Plans, required to be filed on or before the Closing Date, giving effect to applicable filing extensions; all information reported on such returns is true, accurate and complete in all material respects; and Sellers have paid or accrued (i) any and all Taxes shown to be due

on such returns and reports, including, without limitation, those due in respect of properties, income, franchises, licenses, sales or use, employment or unemployment, escheat, value added tax and gross receipts Taxes, fees, levies, duties, tariffs, imports and other charges of any kind (including interest, penalties and other additions to Tax), (ii) all deficiencies and assessments of Taxes of which notice has been received by Sellers that are or may become payable by Buyer as a Lien upon the Acquired Assets and (iii) all other Taxes due and payable on or before the Closing Date for which neither filing of Tax returns or reports nor notice of deficiency or assessment is required, of which Sellers are or should be aware that are or may become a Lien upon the Acquired Assets. To the knowledge of Sellers, except as set forth on Schedule 4.19(a), within the last six years, no claim has been made by an authority in a jurisdiction where a Seller does not file Tax returns that such Seller is or may be subject to taxation by that jurisdiction. Sellers have withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party. No Taxes are due that would create a lien for Taxes on the Acquired Assets. Except as set forth in Schedule 4.19(a), (i) none of the Acquired Assets is "tax exempt use property" within the meaning of the Section 168(h) of the Code, and (ii) none of the Acquired Assets is a lease made pursuant to Section 168(f)(8) of the Internal Revenue Code of 1954. All leases of real and personal property are properly treated as leases for Tax purposes.

(b) Except as disclosed on Schedule 4.19(b), there is no audit examination, written or oral claim by a taxing authority, deficiency, or refund litigation with respect to any Taxes, that is reasonably likely to result in a determination that would have, individually or in the aggregate, a Material Adverse Effect on Sellers, except to the extent reserved against in Sellers' most recent Financial Statements dated prior to the date of this Agreement. All Taxes and other Liabilities due with respect to completed and settled examinations or concluded tax litigation have been paid.

(c) Except as disclosed on Schedule 4.19(c), Sellers have not executed an extension or waiver of any statute of limitations on the assessment or collection of any Tax due (excluding such statutes that relate to years currently under examination by the Internal Revenue Service or other applicable taxing authorities) that is currently in effect.

(d) There shall be no Tax Liability of Sellers of any kind to which Buyer may be subject as a "successor" to Sellers.

(e) Set forth on Schedule 4.19(e) is a list of each jurisdiction in which any Seller has filed a Tax return during the last three years.

4.20 Employees; Compensation. Schedule 4.20 is a true and complete list of the Companies' employees, together with their titles or job descriptions, lengths of service, rates of compensation (regardless of form) and information as to any bonus or incentive pay, deferred or other compensation to which they are entitled or for which they are eligible and any special arrangements, oral or written, with respect to their employment. Except as described in Schedule 4.20, none of the Companies is a party to any employment contract, consulting contract or similar arrangement with any employee or Person. All amounts owed by any of the Companies

for any bonus or incentive pay, deferred or other compensation have been paid as of the date hereof except for any amounts (i) reflected or reserved on the Financial Statements or (ii) incurred or accrued in the ordinary course of business since the Balance Sheet Date. Except as otherwise expressly provided in Sections 10.7 and 1.7(c), Sellers shall be solely responsible for all Liabilities to Sellers' employees earned through the Closing, including but not limited to, matters such as wages, bonus or incentive compensation, vacation benefits, workers compensation claims, insurance benefits, sick time, severance pay, pension benefits, and all other fringe benefits; provided, however, Buyer shall be responsible for paying, pursuant to the Buyer's vacation policy, accrued and unused vacation for Transferred Employees to the extent relating to periods after the Closing Date and to the extent properly accrued on the Closing Balance Sheet, for periods prior to the Closing Date.

4.21 Employment; Related Payments. As of the date hereof and the Closing Date, each of the Companies has paid or accrued all wages, commissions, salaries, bonuses and past service claims of its employees due and payable and has made (or will be holding in trust for the beneficiaries thereof and will thereafter pay on or before the due date for payment) all proper deductions, remittances and contributions for employees' wages, commissions and salaries required under all contracts and statutes (including without limitations, health, hospital and medical insurance, group life insurance, elective deferrals to all Retirement Plans, workers' compensation, unemployment insurance, union dues, income Tax, FICA Taxes and the like) and wherever required by such contracts and/or statutes, all proper deductions and contributions from its own funds for such purposes.

4.22 Employment; Labor Matters. Seagrave is a party to collective bargaining agreements ("Union Contracts") with PACE International Union Local 7-0815 and the Office and Professional Employees Union Local 95 ("Unions"), true and complete copies of which have been delivered to Buyer; there is no current or, to the knowledge of Sellers, threatened additional union organizing activity among the employees of any of the Companies; and there have been no unfair labor practice complaints or actions filed or threatened against any of the Companies. No union representation questions relating to either of the Companies are pending before the National Labor Relations Board or before any similar agency in any state. Except as disclosed on Schedule 4.22, none of the Companies is, and during the three-year period prior to the date hereof none have been, in violation in any material respects of any federal, state or foreign laws respecting employment, employment practices, terms and conditions of employment, wages and hours, collective bargaining, worker safety, employee insurance, unfair labor practices or the withholding and payment of FICA, Medicare and related Taxes. Each of the Companies represent and warrants that it has not experienced any material work stoppage or other concerted action by any of its employees in the Business due to labor disagreement within the four (4) year period prior to the Closing Date and there is no strike, dispute, request for representation or work stoppage pending or, to Sellers' knowledge, threatened against any of the Companies, by or with respect to any such employees. Schedule 4.22 sets forth all employment grievances filed by any of Sellers' employees or the Unions which exist as of the date hereof. Assuming Buyer's compliance with Section 10.6, Sellers have at all times complied, and shall comply at all times through the Closing, with their obligations under any United States federal, Canadian, provincial, state or local law relating to plant closures ("WARN").

4.23 Benefit Plans.

(a) (i) Schedule 4.23(a)(i) lists each employee benefit plan that is a Retirement Plan and (ii) Schedule 4.23(a)(ii) lists each Employee Benefit Plan, other than the Retirement Plans, as defined in Section 3(3) of ERISA, whether or not subject to ERISA and each bonus, incentive or deferred compensation, severance, termination, retention, change of control, health, medical, disability, life, stock option, stock appreciation, stock purchase, phantom stock or other equity-based, performance or other employee or retiree benefit or compensation plan, program, arrangement, agreement, policy or understanding, whether written or unwritten, that provides or may provide benefits or compensation, administered or contributed to by any Seller and covers any employee or former employee of Sellers or under which any Seller or any Affiliate has any Liability that any Seller maintains, to which any Seller contributes or has any obligation to contribute, or with respect to which any Seller has any Liability or potential Liability ("Employee Benefit Plan"). Any Retirement Plan or Employee Benefit Plan that any Seller maintains or has any liability or potential liability for is referred to herein as a "Seller-Sponsored Plan". With respect to each such Seller-Sponsored Plan, Sellers have provided complete and correct copies of: all written Plans; descriptions of all unwritten Plans; all trust agreements, insurance contracts or other funding arrangements; the two most recent actuarial and trust reports; the two most recent Forms 5500 and all schedules thereto; the most recent IRS determination letter; current summary plan descriptions; all material communications received from or sent to the IRS, the Pension Benefit Guaranty Corporation or the Department of Labor (including a written description of any oral communication) or any other applicable government agencies; an actuarial study of any post-employment life or medical benefits provided under any such Plan, if any; statements or other communications regarding withdrawal or other multiemployer plan liabilities, if any; and all amendments and modifications to any such document. No Seller has communicated to any employee any intention or commitment to modify any Plan or to establish or implement any other employee or retiree benefit or compensation arrangement.

(i) Each such Seller-Sponsored Plan (and each related trust, insurance contract, or fund) has been maintained, funded and administered in accordance with the terms of such Plan and the terms of any applicable collective bargaining agreement and complies in form and in operation in all material respects with the applicable requirements of ERISA, the Code and other applicable laws. There are no pending or, to Sellers' Knowledge, threatened claims by or on behalf of any of the Retirement Plans or any Employee Benefit Plans involving any such Plan or the assets of any Plan (other than routine claims for benefits).

(ii) All required reports, descriptions and notices to employees (including annual reports on IRS Form 5500, summary annual reports, and summary plan descriptions) have been timely filed and/or distributed in accordance with the applicable requirements of ERISA and the Code with respect to each such Seller-Sponsored Plan or any other applicable legislative requirements. The requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") have been met with respect to each such

Employee Benefit Plan which is an employee welfare benefit plan subject to COBRA.

(iii) All contributions (including all employer contributions and employee salary reduction contributions) which are due have been made within the time periods prescribed by ERISA and the Code (or any relevant legislation) to each Retirement Plan and each Employee Benefit Plan and all contributions for any period ending on or before the Closing Date which are not yet due have been made to each such Retirement Plan or Employee Benefit Plan or accrued in accordance with the past custom and practice of Sellers. All premiums or other payments for all periods ending on or before the Closing Date have been paid with respect to each such Retirement Plan or Employee Benefit Plan which is an employee welfare benefit plan.

(iv) Except as disclosed on Schedule 4.23(a)(iv), each such Seller-Sponsored Plan which is intended to meet the requirements of a "qualified plan" under Code §401(a) has received a determination from the Internal Revenue Service (that covers the "GUST" amendments) that such Seller-Sponsored Plan is so qualified, and nothing has occurred since the date of such determination that could adversely affect the qualified status of any such Seller-Sponsored Plan.

(b) Except as disclosed on Schedule 4.23(b), with respect to each Seller-Sponsored Plan that any Seller or any other trade or business, whether or not incorporated, which together with such Seller is or would have been at any date of determination occurring within the preceding six years treated as a single employer under Section 414 of the Code ("ERISA Affiliate") maintains, to which any of them contributes or has any obligation to contribute, or with respect to which any of them has any Liability or potential Liability:

(i) No condition exists and no event has occurred with respect to any Seller-Sponsored Plan that is a "multiemployer plan" within the meaning of Section 4001(a) (3) of ERISA that presents a risk of a complete or partial withdrawal under subtitle E of Title IV of ERISA. No such Seller-Sponsored Plan is in "reorganization" or is "insolvent."

(ii) There have been no prohibited transactions (for which a class or individual exemption does not exist) under any Law with respect to any such Seller-Sponsored Plan. No Fiduciary within the meaning of Section 3(21) of ERISA has any Liability for breach of fiduciary duty or any other failure to act or comply in connection with the administration, operation or investment of the assets of any such Seller-Sponsored Plan. No action, suit, proceeding, hearing, or investigation with respect to the administration, operation or the investment of the assets of any such Employee Benefit Plan (other than routine claims for benefits) is pending or, to the knowledge of Sellers, threatened.

(iii) No Seller has incurred, and Sellers have no reason to expect that any Seller will incur, any Liability to the Pension Benefit Guaranty Corporation

("PBGC") (other than with respect to PBGC premium payments not yet due) or otherwise under Title IV of ERISA (including any withdrawal liability as defined in ERISA §4201) or under the Code with respect to any such Seller-Sponsored Plan which is a Retirement Plan.

(iv) Neither any Seller nor any ERISA Affiliate contributes to, has any obligation to contribute to, or has any Liability (including withdrawal liability as defined in ERISA §4201) under or with respect to any multiemployer plan.

(c) Except as disclosed on Schedule 4.23(c), no Seller maintains, contributes to or has an obligation to contribute to, or has any Liability or potential Liability with respect to, any Employee Benefit Plan providing medical, health, or life insurance or other welfare-type benefits for current or future retired or terminated directors, officers or employees of such Seller (or any spouse or other dependent thereof) other than in accordance with COBRA or any other applicable legislation.

(d) As of December 31, 2002, the amount of the under-funded Liability for each Retirement Plan that is a defined benefit plan and for any health, life insurance or similar benefit for former or current employees that are provided after retirement does not exceed the amounts listed on Schedule 4.23(d) for each such Seller-Sponsored Plan, assuming the application of the actuarial assumptions described on Schedule 4.23(d). The actuarial assumptions described on Schedule 4.23(d) and the Balance Sheet comply with the requirements of SFAS 87, SFAS 106 and SFAS 132, as applicable and are in all respects reasonable for purposes of determining the funding liability and funded status of each such Seller-Sponsored Plan.

4.24 Legal Proceedings. Except as disclosed on Schedule 4.24, there are no actions, suits or proceedings, legal (governmental or otherwise) pending or, to the knowledge of Sellers, threatened against or relating to any of the Companies, the Business or the Acquired Assets. Except as disclosed on Schedule 4.24, Sellers have no knowledge of any facts that could reasonably be expected to result in any such action, suit or proceeding. None of Sellers are a party to any suit, action or proceeding pending, or to any of Sellers' knowledge threatened, which will prohibit, impair or affect any of Sellers' ability to complete the transactions contemplated hereby.

4.25 Directors and Officers. Schedule 4.25 includes a list of the names and addresses of all directors and officers of Sellers and Parent.

4.26 Intellectual Property. Schedule 4.26 sets forth all patents, trademarks, copyrights, service marks and trade names, all applications for any of the foregoing, and all permits, grants, franchises and licenses or other rights running to or from any of the Companies relating to any of the foregoing (the "Intellectual Property"), all of which are included as part of the Intangible Property. No other patents, trademarks, copyrights, service marks or trade names owned or used by any of the Companies are material to the Business as presently conducted or as being developed. The rights of each of the Companies in and to the Intellectual Property are valid and enforceable and useable by such Company free and clear of any claims or rights of others. All trade secrets, know-how, processes, technology, computer software, blueprints and designs used

by any of the Companies in or incident to the Business as presently conducted or as being developed do not infringe on or otherwise violate any patent, trademark, service mark, trade name or other intellectual property right of any third party and Sellers have not received any notice of any adversely held patent, invention, trademark, copyright, service mark, trade name or other intellectual property right of any third party. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not result in the loss or impairment of any of the Intellectual Property or any of the Companies' rights thereto.

4.27 Transactions with Affiliates. Except as set forth in Schedule 4.27, none of the Companies is a party to, or is obligated, directly or indirectly, to become a party to, any transaction with any of its Affiliates.

4.28 Product Warranties. Net warranty claims for products manufactured, sold, leased or distributed by Sellers have not exceeded 2% of the net sales of Sellers in either of the past two years and could not reasonably be expected to exceed 2% of net sales in 2003.

4.29 Product Liability. Except as set forth on Schedule 4.29, to Sellers' knowledge, Sellers have, and following consummation of the transactions contemplated by this Agreement, Buyer will have, no Liability arising out of or as a result of, the ownership, possession or use of, or exposure to, any product manufactured, sold, leased or distributed by Sellers or former operators of the Business.

4.30 Interests in Customers, Suppliers and Competitors. Except for publicly traded companies, neither Sellers, Parent, nor any Affiliate of any of them or spouse or child of any Affiliate, owns any direct or indirect interest: (i) in any competitor, supplier or customer of Sellers; (ii) in any Person from whom Sellers lease office space or equipment; or (iii) in any other Person with whom Sellers are doing business.

4.31 Insurance Policies. Sellers represent and warrant that Schedule 4.31 is a description of all of Sellers' currently effective insurance policies concerning the Business, the Acquired Assets, the Real Property and the Seller-Sponsored Plans; these policies are in the respective coverage amounts set forth in Schedule 4.31 and Sellers have maintained, now maintain, and shall maintain through Closing, the insurance policies set forth on Schedule 4.31 on all of the Acquired Assets. As of the Closing, such policies will name Buyer as an additional insured and contain a provision which prohibits cancellation or modification of the policy except upon thirty (30) days' prior written notice to Buyer.

4.32 Certain Business Practices. Neither any Seller, nor any director, officer, agent or employee of any Seller (in their capacities as such) has (i) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees, to foreign or domestic political parties or campaigns or violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or (iii) made any other unlawful payment. Neither any Seller, nor any director, officer, employee or agent of any Seller (nor any Person acting on behalf of any of the foregoing, but solely in his or her capacity as a director, officer, employee or agent of a Seller) has since January 1, 1998, directly or indirectly, given or agreed to give any gift or similar benefit in any material amount to any customer, supplier, governmental employee

or other Person who is or may be in a position to help or hinder such Seller or assist such Seller in connection with any actual or proposed transaction, which, if not given could reasonably be expected to have had an adverse effect on such Seller, or which, if not continued in the future, could reasonably be expected to adversely affect the business or prospects of such Seller, or which could reasonably be expected to subject such Seller to suit or penalty in any private or governmental litigation or proceeding.

4.33 Illegal Discrimination. No Seller has been found by any Governmental Entity to have committed any act of sexual, religious, age or racial discrimination or any act of sexual harassment which violates any law, rule, regulation, statute, judicial order, ruling, administrative ruling or directive or similar rule, regulation, order or directive. Except as set forth on Schedule 4.33, there is not pending or, to the knowledge of Sellers, threatened any claim with respect to any of the foregoing in or before any Governmental Entity, and to the knowledge of Sellers there exist no facts that could reasonably be expected to result in any such claim.

4.34 Brokers. Sellers have incurred agent's commissions, fees or like payments in connection with the transactions contemplated hereby. Sellers are solely responsible for the payment of these commissions, fees or like payments and Buyer has no Liability with respect to such commissions, fees or like payments.

4.35 No Misstatements or Omissions. Neither this Agreement, the Related Agreements, or any representation or warranty by any of Sellers contained in this Agreement (including its schedules) or in any Related Agreement or Other Document to which any of Sellers are a party contains or, as of the Closing, will contain, any untrue statement of a material fact, or omits or, as of the Closing, will omit to state a material fact necessary to make the statements or facts contained therein or herein not misleading.

4.36 Reliance. The foregoing representations and warranties are made by Sellers with the knowledge and expectation that Buyer is relying thereon, and such representations and warranties shall continue to and survive the Closing as provided herein in Section 11.7.

ARTICLE 5: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Sellers that:

5.1 Organization and Good Standing. US Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, CN Buyer is an unlimited liability company duly organized and in good standing under the laws of Canada. Buyer has all requisite power and authority to own, operate, lease and use its properties and assets and to carry on its business as it is now being conducted.

5.2 Due Authorization; Binding Obligation. Buyer has all requisite power and authority to enter into this Agreement and the Related Agreements and to perform its obligations hereunder and thereunder. Buyer has authorized the execution, delivery and performance of this Agreement by all necessary corporate action, and this Agreement has been duly executed and delivered by Buyer and is the valid and legally binding obligation of Buyer, enforceable in accordance with its terms.

5.3 Governmental Approval. The execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions provided for herein are not subject to the jurisdiction, approval or consent of any Governmental Entity.

5.4 No Approvals or Notices Required; No Conflict with Other Instruments. The execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions contemplated hereby will not violate (with or without the giving of notice or the lapse of time or both) or require any consent or approval, filing or notice under any provision of law, and will not require any consent, approval or notice under and will not conflict with, or result in the breach or termination of any provision of, or constitute a default under, or result in the acceleration of the performance of the obligations of Buyer under its certificate of organization or operating agreement, or pursuant to any indenture, mortgage, deed of trust, lease, license agreement, contract, instrument or other agreement, or any order, judgment or decree to which Buyer is a party or by which Buyer is bound.

5.5 Brokers. Buyer has incurred brokerage or finder's fees or agent's commissions or like payments in connection with this Agreement or the transactions contemplated hereby, and Buyer is solely responsible for the payment of such amounts.

5.6 No Misstatements or Omissions. Neither this Agreement, the Related Agreements or any representation or warranty by Buyer contained in this Agreement or in any Related Agreement or Other Document to which Buyer is a party contains or, as of the Closing, will contain any untrue statement of a material fact, or omits or, as of the Closing, will omit to state a material fact necessary to make the statements or facts contained therein or herein not misleading.

ARTICLE 6: COVENANTS OF SELLERS PENDING CLOSING

6.1 Covenants of Sellers and Parent Pending Closing. Sellers and Parent covenant and agree from the date hereof until the earlier of the Closing Date or the termination of this Agreement (in accordance with its terms) as follows:

(a) Sellers shall deliver to Buyer prompt notice of any change in any of the information contained in the representations and warranties of Sellers hereunder or in the documents furnished by Sellers in connection herewith which occurs prior to the Closing Date; provided, however, that the delivery of any notice pursuant to this Section 6.1(a) shall not limit or otherwise affect any remedies available to the party receiving such notice and no disclosure by Sellers pursuant to this Section 6.1(a) shall be deemed to amend or supplement this Agreement or prevent or cure any misrepresentations, breach of warranty or breach of covenant, unless the recipient party shall agree in writing to accept the disclosures set forth in any such notice and waive in writing its rights and remedies under this Agreement.

(b) Sellers shall use reasonable efforts to take, or cause to be taken, all actions and do or cause to be done all things necessary, proper and advisable to consummate the transactions contemplated by this Agreement, including, without limitation, to obtain all consents, approvals and authorizations of third parties and to make all filings with, and

deliver all notices to, third parties which may be necessary or required in order to effectuate the transactions contemplated hereby.

(c) Sellers shall obtain, at Sellers' expense, an owner's policy of title insurance reasonably acceptable to Buyer, with an owner's comprehensive 9.2 endorsement, surety endorsement, mechanic's lien endorsement and a mortgagee title insurance policy (collectively, the "Title Policy"), issued by the Title Company as of the date and time of the recording of the Deeds insuring Buyer as owners of good, marketable and indefeasible fee simple title to the Owned Real Property, and insuring Buyer's lender's mortgage interest, and subject only to the Permitted Exceptions and with all endorsements reasonably requested by Buyer or Buyer's lender; provided that Buyer shall pay the cost of insuring Buyer's lender's mortgage interest. Sellers shall execute at Closing an affidavit and such other documents in such form reasonably acceptable to Buyer as the Title Company shall require for the issuance of the Title Policy.

(d) Between the date hereof and the Closing Date, Buyer and its authorized representatives shall have full access, during regular business hours, to any and all of the premises, properties, contracts, books and records of Sellers that pertain to the Business and the Acquired Assets, provided, however, that no unreasonable interference with the normal business operations of Sellers shall thereby be caused; and Sellers will cause its officers and employees to furnish to Buyer and its authorized representatives any and all data and information pertaining to the Business and the Acquired Assets as Buyer or its authorized representatives shall from time to time reasonably request. Unless and until the acquisition contemplated herein has been consummated, Buyer shall hold in strict confidence and shall not use or exploit all information obtained pursuant to this Agreement and, if such acquisition is not consummated, Buyer shall return to Sellers all documents and other materials received by it hereunder, including any copies of contracts, schedules or extracts thereof. Such obligation of confidentiality shall not extend to any information which is shown to have been (i) previously known to Buyer without any breach of any confidentiality obligation owed to Sellers, (ii) generally known to others engaged in the trade or business of Sellers (except as a result of a breach of this Agreement), (iii) part of public knowledge or literature, or (iv) lawfully received by Buyer from a third party (not including Sellers).

(e) The furnishing of any information to Buyer or its authorized representatives, or any investigation made by Buyer or its authorized representatives, shall not affect or otherwise modify, diminish or obviate any of the representations and warranties made by Sellers in this Agreement, or Buyer's right to rely thereon, or any of the conditions precedent to the obligation of Buyer to consummate the transactions contemplated hereby.

(f) From the date hereof until the Closing Date, except as otherwise approved in writing by Buyer or as required by this Agreement, Sellers shall not:

(i) take or cause to be taken any action which is reasonably likely to result in any damage, destruction or similar loss, whether or not covered by insurance, materially affecting the Business or the Acquired Assets;

(ii) sell, assign or transfer any of the Acquired Assets, except for sales of inventory in the ordinary course of business;

(iii) mortgage, pledge, lease or sublease, grant or suffer to exist any Lien or encumbrance or charge on any of the Acquired Assets;

(iv) other than in the ordinary course of business, waive any rights of material value or cancel, discharge, satisfy or pay any debt, claim, lien, encumbrance, Liability or obligation, whether absolute, accrued, contingent or otherwise and whether due or to become due;

(v) incur any indebtedness, obligation or Liability (absolute or contingent, liquidated or unliquidated, choate or inchoate) except current obligations and liabilities incurred in the ordinary course of its business; without limiting the generality of the foregoing, Sellers shall not incur any indebtedness, obligation or Liability to any Affiliate, except in the ordinary course of business;

(vi) other than in the ordinary course of business and consistent with past practices, enter into, make any amendment of, or terminate any Lease, contract, license or other agreement to which a Seller is a party;

(vii) effect any material change in the accounting practices or procedures of any Seller;

(viii) increase the compensation payable to any officers or employees, become obligated to increase any such compensation, or make or become obligated to make any bonus or similar payment or loan to any of its officers or employees, except as may be required as a result of OPEIU labor negotiations or as set forth on Schedule 6.1(f)(viii);

(ix) enter into any other transaction except in the ordinary course of business or change in any way any of the business policies or practices of any Seller.

(g) Sellers shall, from the date hereof through the Closing Date, consult with Buyer on a regular basis with respect to all operating decisions which could reasonably be expected to result in a material change in the Business or the Acquired Assets, which relate to the compensation or benefits payable to officers and employees, or which are not in the ordinary course of the Business. In connection therewith, and subject to the preceding sentence, each Seller shall operate its business as presently operated and only in the normal and ordinary course, and, consistent with such operation, shall use reasonable efforts to maintain and preserve its assets and properties in good condition and repair, reasonable wear and tear excepted, and will use reasonable efforts to continue to promote its products and services, to preserve intact its present business organization, to keep available to Buyer the present services of its officers and employees and to preserve for Buyer the goodwill of its suppliers, customers, landlords and others having business relationships with such Seller.

(h) Sellers shall maintain in full force and effect all insurance policies covering the Business, the Acquired Assets and the Seller-Sponsored Plans, and will comply with all laws or regulations affecting operation of the Business and will give notice to Buyer of any unusual event or circumstances materially and adversely affecting the Business or Acquired Assets.

(i) From the date hereof until the Closing Date or the termination of this Agreement, (i) no Seller shall solicit the sale or disposition of such Seller (whether by way of a sale of shares or all or any substantial part of its assets, merger, consolidation or other combination) to any Person or enter into any agreement, arrangement or understanding with respect to any such sale or other disposition, and (ii) no Seller shall solicit the sale or other disposition of the Business or any material part of the Acquired Assets to any Person or enter into any agreement, arrangement or understanding with respect to the sale or other disposition thereof or any option, call or commitment with respect thereto, except for the sale of products and the furnishing of services in the ordinary course of business.

(j) Sellers shall promptly and diligently seek to obtain any required environmental approvals or waivers necessary to consummate the transactions covered herein, including without limitation, compliance with the Industrial Site Recovery Act (N.J.S.A. 13:1k-6 et seq.) ("ISRA"). Sellers shall use their best efforts and in good faith take or cause to be taken all such action or do or cause to be done all such things necessary proper or advisable to obtain such waivers, approvals or to otherwise comply with the Environmental Laws. With respect to ISRA, Sellers shall have obtained and delivered to Buyer, at or prior to Closing, evidence of compliance with ISRA. Evidence of compliance with ISRA shall be deemed to mean (i) a Letter of Non-Applicability issued by the New Jersey Department of Environmental Protection ("NJ DEP"); (ii) a De Minimis Quantity exemption approved by the NJDEP in writing; (iii) a No Further Action Letter issued by NJ DEP; (iv) a NJDEP-approved Negative Declaration; (v) a NJDEP-approved Remediation Agreement; (vi) another approval issued by or agreement reached with NJDEP to enable the transactions contemplated by this Agreement to close acceptable to Buyer, as the same pertains to the Real Property located in New Jersey.

ARTICLE 7: COVENANTS OF BUYER PENDING CLOSING

7.1 Covenants of Buyer Pending Closing. Buyer covenants and agrees from the date hereof until the earlier of the Closing Date or the termination of this Agreement (in accordance with its terms) as follows:

(a) Buyer shall deliver to Sellers prompt notice of any change in any of the information contained in the representations and warranties of Buyer hereunder or in the documents furnished by Buyer in connection herewith which occurs prior to the Closing Date; provided, however, that the delivery of any notice pursuant to this Section 7.1(a) shall not limit or otherwise affect any remedies available to the party receiving such notice and no disclosure by Buyer pursuant to this Section 7.1(a) shall be deemed to amend or supplement this Agreement or prevent or cure any misrepresentations, breach of warranty or breach of covenant, unless the recipient party shall agree in writing to

accept the disclosures set forth in any such notice and waive in writing its rights and remedies under this Agreement.

(b) Buyer shall use reasonable efforts to take, or cause to be taken, all actions and do or cause to be done all things necessary, proper and advisable to consummate the transactions contemplated by this Agreement, including, without limitation, to obtain all consents, approvals and authorizations of third parties and to make all filings with, and deliver all notices to, third parties which may be necessary or required in order to effectuate the transactions contemplated hereby.

ARTICLE 8: CONDITIONS OF CLOSING

8.1 Conditions Precedent to the Obligations of Buyer. The Obligations of Buyer to close hereunder shall be subject to the fulfillment and satisfaction, prior to or at Closing, of the conditions set forth below or the written waiver thereof by Buyer. The consummation of the Closing shall not be deemed to be a waiver by Buyer of any of Buyer's rights or remedies for breach of any representation, warranty, covenant or agreement by Sellers or Parent without regard for any knowledge of or investigation with respect thereto made by or on behalf of Buyer, unless Buyer shall have waived in writing prior to Closing its rights or remedies for a breach of a specifically identified representation, warranty, covenant or agreement of Sellers.

(a) The representations and warranties of Sellers in this Agreement, the Related Agreements and the Other Documents shall be true and correct in all material respects as of the Closing Date, and Buyer shall have received a certificate to that effect dated the Closing Date and executed by an officer of each Seller;

(b) Each of the agreements and covenants of Sellers to be performed under this Agreement, the Related Agreements and the Other Documents at or prior to the Closing Date shall have been duly performed in all material respects and Buyer shall have received a certificate to that effect dated the Closing Date and executed by an officer of each Seller;

(c) No injunction or restraining order shall be in effect or shall have been instituted or threatened to forbid or enjoin the consummation of the transactions contemplated by this Agreement, the Related Agreements and the Other Documents and no law, regulation, administrative order, pronouncement, or ruling shall have been enacted or be in effect which prohibits, restricts or delays the consummation hereof;

(d) There shall have been no damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the Business or the Acquired Assets;

(e) All consents, authorizations, orders or approvals of, and filings or notices to, any Governmental Entity (other than consents to assignment of customer orders) which are required for, or in connection with, the execution and delivery of this Agreement, the Related Agreements and the Other Documents by Sellers and the consummation of the transactions contemplated thereby, and in order to permit or enable Buyer to conduct after the Closing Date the Business in a manner substantially similar to

the Business as conducted by Sellers as of the date hereof, shall have been duly obtained or made;

(f) Sellers shall have duly executed and delivered to Buyer the Assignment and Assumption Agreement and other written instruments evidencing Sellers' transfer of the Acquired Assets and Buyer's assumption of and agreement to pay and perform the Assumed Liabilities;

(g) Sellers shall have delivered to Buyer, in form and substance satisfactory to Buyer, such consents from third parties (other than customers) as Buyer may deem necessary or advisable with respect to the Assumed Agreements, or otherwise to effect any assignment or transfer of the Acquired Assets;

(h) Sellers shall have duly executed and delivered to Buyer the Bill of Sale, the Vehicle Bill of Sale and any other documents of transfer as may be necessary to convey the Equipment and Company Cars to Buyer;

(i) Sellers shall have obtained and delivered the Title Policy and shall have duly executed and delivered to Buyer the Deeds, all transfer Tax returns and other Tax election forms as may be required by Buyer in connection with the Deeds, and such affidavits, statutory declarations and certificates as may reasonably be requested by Title Company in order to issue the Title Policy;

(j) US Sellers shall have delivered to Buyer, in form and substance of Exhibit G, an affidavit certifying that they are not foreign persons within the meaning of Sections 1445 and 7701 of the Code;

(k) Sellers shall have delivered to Buyer, in a form satisfactory to Buyer, releases of any Liens on the Acquired Assets except for the Permitted Exceptions;

(l) Each of the Companies shall have delivered to Buyer (i) a copy of its Articles of Incorporation or Organization, certified as of a recent date by the Secretary of State of their respective states of incorporation or organization or by a similar Canadian authority in regards to Almonte, (ii) a certificate of its good standing as of a recent date as issued by the Secretary of State of their respective states of incorporation or organization or by a similar Canadian authority in regards to Almonte, (iii) a copy of its bylaws or operating agreement certified as of the Closing Date by its Secretary or Assistant Secretary, (iv) appropriate Tax clearance certificates, reasonably acceptable to Buyer (v) evidence that all corporate or company action necessary to be taken by it to effectuate the transactions contemplated by this Agreement has been taken, and (vi) certified copies of resolutions of the Board of Directors and shareholders or members of each of the Companies in form and substance reasonably satisfactory to Buyer;

(m) Sellers shall have delivered to Buyer the Books and Records, or copies thereof if no originals are in the custody or control of Sellers;

(n) Sellers shall have delivered to Buyer an amendment to each of the Companies' Articles of Incorporation or Organization, in the proper form, executed by

such Company's President and Secretary, effecting the change of such Company's name pursuant to Section 10.4 herein for filing with the Secretary of State in their respective states of incorporation or organization;

(o) The parties other than Buyer shall have executed and delivered to Buyer the Non-competition Agreement;

(p) Sellers shall have delivered to Buyer an estoppel certificate executed by each of the landlords under the leases of the Leased Real Property in California, in the form attached hereto as Exhibit H, dated no earlier than thirty (30) days prior to Closing;

(q) Sellers shall have delivered to Buyer a non-disturbance agreement from the Mortgagee and superior leaseholders of the landlords under the Lease for Sellers' California facility .

(r) Sellers shall have delivered to Buyer the opinion of Sellers' counsel, in the form and substance of Exhibit I attached hereto;

(s) Sellers shall have executed and delivered to Buyer the Consent Letter;

(t) Sellers shall have delivered to Buyer an aged Accounts Receivable schedule as of a date within five (5) business days of the Closing Date, and copies of appropriate bookkeeping records for each of the Accounts Receivable as of a date within five (5) business days of the Closing Date, which data shall reflect for each account the name of the debtor, the date of the invoice, the amount of any payments received on such account, and the balance due;

(u) Sellers shall have delivered to Buyer an aged Trade Payables schedule as of a date within five (5) business days of the Closing Date, and copies of appropriate bookkeeping records for each of the Trade Payables as of a date within five (5) business days of the Closing Date, which data shall reflect for each account the name of the creditor, the date of the invoice, the amount of any payments made on such account, and the balance due.

(v) Each of the Sellers shall have assigned to Buyer all of such Seller's right, title and interest in and to such warranties (express and implied) that continue in effect with respect to the Acquired Assets and hereby nominates Buyer as its true and lawful attorneys to enforce such warranties, and after the Closing Sellers shall execute and deliver such specific assignments of such warranty rights as Buyer may reasonably request from time to time.

(w) Sellers shall have executed and delivered to Buyer the Estimated Closing Balance Sheet;

(x) Sellers shall have delivered to Buyer evidence of compliance with ISRA as required by Section 6(j) and no remediation shall be required in connection therewith;

(y) Sellers shall have satisfied the subdivision control requirements of the Planning Act (Ontario) with respect to the Real Property owned by Almonte; and

(z) Sellers shall have taken such other action as may be necessary or appropriate to consummate the transactions provided for, and in accordance with, the terms and conditions of this Agreement.

8.2 Conditions Precedent to the Obligations of Sellers. The Obligations of Sellers to close hereunder shall be subject to the fulfillment and satisfaction, prior to or at Closing, of the conditions set forth below or the written waiver thereof by Sellers. The consummation of the Closing shall not be deemed to be a waiver by Seller of any of Seller's rights or remedies for breach of any representation, warranty, covenant or agreement by Buyer without regard for any knowledge of or investigation with respect thereto made by or on behalf of Seller, unless Seller shall have waived in writing prior to Closing its rights or remedies for a breach of a specifically identified representation, warranty, covenant or agreement of Buyer.

(a) The representations and warranties of Buyer in this Agreement, the Related Agreements and the Other Documents shall be true and correct in all material respects as of the Closing Date, and Sellers shall have received a certificate to that effect dated the Closing Date and executed by an officer of Buyer;

(b) Each of the agreements and covenants of Buyer to be performed under this Agreement, the Related Agreements and the Other Documents at or prior to the Closing Date shall have been duly performed in all material respects and Sellers shall have received a certificate to that effect dated the Closing Date and executed by an officer of Buyer;

(c) No injunction or restraining order shall be in effect or shall have been instituted or threatened to forbid or enjoin the consummation of the transactions contemplated by this Agreement, the Related Agreements and the Other Documents and no law, regulation, administrative order, pronouncement, or ruling shall have been enacted or be in effect which prohibits, restricts or delays the consummation hereof;

(d) Buyer shall have duly executed and delivered to Sellers the Assignment and Assumption Agreement and other written instruments evidencing Sellers' transfer of the Acquired Assets and Buyer's assumption of and agreement to pay and perform the Assumed Liabilities;

(e) Buyer shall have delivered to Sellers the cash portion of the Purchase Price and the Note as provided in Section 3.2 hereof;

(f) US Buyer shall have delivered to Sellers (i) a copy of its Certificate of Formation, certified as of a recent date by the Secretary of State of Delaware, (ii) a copy of its operating agreement certified as of the Closing Date by the Secretary or an Assistant Secretary or one of the members of Buyer, and (iv) evidence that all company action necessary to be taken to effectuate the transactions contemplated by this Agreement has been taken and CN Buyer shall have delivered to Sellers a copy of its

Memorandum of Association and Articles of Association certified by the Secretary of CN Buyer;

(g) Buyers shall have delivered the opinion of Buyers' counsel, in the form and substance of Exhibit J attached hereto; and

(h) Buyer shall have taken such other action as may be necessary or appropriate to consummate the transactions provided for, and in accordance with, the terms and conditions of this Agreement.

ARTICLE 9: COVENANTS OF SELLERS AND PARENT AFTER CLOSING

9.1 Preservation of Relationships. For a period of one year after the Closing, Sellers and Parent shall use all reasonable efforts to preserve for Buyer the good relations of Companies with those of its licensors, suppliers, vendors, customers and others having business relations with it in connection with the Business and the Acquired Assets but neither Sellers nor Parent are guaranteeing the success of such efforts.

9.2 Accounts Receivable. In the event that any of the Accounts Receivable have not been collected within six (6) months from the Closing Date by Buyer, to the extent that the aggregate amount of such accounts receivable exceeds the allowance for doubtful accounts set forth on the Final Closing Balance Sheet and excluding holdbacks by New York City pending expiration of applicable warranty periods, such holdbacks not to exceed 1% of the applicable Account Receivable, Buyer shall assign to Sellers all rights to collect such uncollected Accounts Receivable and Buyer shall offset the amount that has not been collected from an obligation that it has to Sellers, including without limitation, obligations under the Note or the Earnout Payments.

9.3 Consents. Sellers shall use their best efforts, and Buyer shall cooperate with Sellers, to obtain all approvals, consents or waivers necessary to assign to Buyer all the Acquired Assets, including without limitation, the Assumed Agreements and Intangible Property, or any claim, right or benefit arising thereunder or resulting therefrom (collectively, the "Interests") as soon as practicable. To the extent any such approvals, consents or waivers have not been obtained as of the Closing, Sellers shall, at the option of Buyer, on a contract by contract basis, during the remaining term of such Interest, use their best efforts to, (i) obtain consent of any such third party; (ii) cooperate with Buyer in any commercially reasonable and lawful arrangements (e.g., subcontracting to Buyer the right to complete the remainder of the work under the subject contract pursuant to which arrangement Buyer shall perform and collect all billings under such contract) designed to provide the benefits of such Interest to Buyer effective as of the Closing Date so long as Buyer fully cooperates with Sellers in such arrangements, rather than assign that Acquired Asset; and (iii) enforce, at the request of Buyer and at the expense and for the account of Buyer, any rights of Sellers arising from such Interest against such issuer thereof or the other party or parties thereto (including the right to terminate any such Interest in accordance with the terms thereof upon the written advice of Buyer). In the event that an Interest is not transferable without the consent of a third party and such consent is not obtained, and in the event that Sellers and Buyer cannot enter into a lawful arrangement designed to provide the benefits of that Interest as set forth in clause (ii) above, then Buyer may on a contract by contract basis, perform the

obligations accruing after the Closing Date in Sellers' name and money received in connection thereof shall be retained and collected by Buyer, with respect to which Buyer is hereby irrevocably granted the power of attorney to endorse such payment checks in Sellers' name and deposit such funds in Buyer's account for Buyer's use.

ARTICLE 10: ADDITIONAL COVENANTS AND AGREEMENTS

10.1 Further Assurances. Sellers shall for no further consideration perform all such other actions and execute, acknowledge and deliver and cause to be executed, acknowledged and delivered such assignments, transfers, consents and other documents as Buyer may reasonably request to vest in Buyer and protect Buyer's rights, title and interest in and enjoyment of the Acquired Assets.

10.2 Access; Mail. From time to time following the Closing Date, upon the reasonable request of any of Buyer or Sellers, each of Sellers and Buyer shall afford the other parties and their authorized representatives access to their respective corporate records, general ledgers and Tax returns only to the extent reasonably necessary for their respective business, Tax, accounting or legal purposes, and shall permit the other party to make copies thereof at Buyer's or Sellers' sole expense, as the case may be. From and after the Closing Date, Buyer will have the right to receive all mail relating to the Business on a going-forward basis; provided, however, that Buyer will promptly forward to Sellers any mail sent to Buyer which appears to relate to matters arising prior to the Closing, to assets other than the Acquired Assets or to agreements, Liabilities or obligations other than the Assumed Liabilities.

10.3 Right to Endorse Checks. From and after the Closing, Buyer shall have the right and authority to endorse, without recourse, the name of Sellers on any check or any other evidence of indebtedness received by Buyer on account of any Accounts Receivable or other items transferred to Buyer hereunder. Any amounts received by Sellers after the Closing in respect of Accounts Receivable or any other Acquired Assets transferred to Buyer hereunder shall be promptly paid by Sellers to Buyer.

10.4 Use of Name. Buyer shall have the exclusive right to represent themselves as the successors of the Business previously conducted by the Companies, and Sellers shall at the Closing transfer to Buyer all of their right to, and title and interest in, the names "FWD," "Seagrave," "Aerialscope," "Almonte Fire Trucks Co.," and all derivatives thereof. As soon as practicable following the Closing, Sellers shall cause the Articles of Incorporation of each of the Companies to be amended to change each Company's name to a name that is different from, and not confusingly similar to, Buyer and that does not contain the words "FWD," "Seagrave," "Aerialscope," "Almonte," "Fire," "Apparatus" and/or "Equipment". Sellers and Parent and their Affiliates each agree to never use any of these words in the names of any entity or in any tradenames in which they have an interest. Sellers agree to submit at the Closing the letter to Buyer in the form of Exhibit K attached hereto (the "Consent Letter"), waiving any objection to Buyer's use of the names "FWD," "Seagrave," "Aerialscope" and "Almonte Fire Truck Co." and all derivatives thereof.

10.5 Bulk Sales. Buyer and Sellers waive compliance with the provisions of any applicable laws with respect to bulk transfers, or acts of similar nature, as such laws may be

applicable to the transactions provided for in this Agreement. Sellers shall pay and discharge, promptly and diligently, when due, or contest or litigate, all claims of creditors (other than those arising from the Assumed Liabilities) which could be asserted against Buyer or the Acquired Assets by reason of such noncompliance. Almonte shall have delivered to CN Buyer a certificate issued by the Minister of Finance (Ontario) pursuant to Section 6 of the Retail Sales Tax Act (Ontario) which shall indicate that Almonte has paid all taxes collectible or payable under the said Act up to the Closing Date or has entered into an arrangement satisfactory to the said Minister for the payment of such taxes.

10.6 Employees. Buyer shall offer employment at existing rates of compensation to all of the Companies' non-union employees set forth on Schedule 10.6 following the Closing and will credit all years of service of such non-union employees. Buyers will comply with the terms of the Union Agreements that they assume pursuant to this Agreement. Effective as of the Closing Date, each of the Companies shall encourage all employees offered employment to accept employment with Buyer. Any employee accepting an offer of employment with Buyer shall become an employee of Buyer on the first date that such employee is credited with an hour of service (referred to as a "Transferred Employee"). A Transferred Employee's employment with Buyer shall be as an "at will" employee, subject to the terms of the Union Agreements or individual employment contract entered into or expressly assumed by Buyer. Sellers shall make available to Buyer on and after the Closing Date any and all records with respect to the Transferred Employees as Buyer shall reasonably request. Transferred Employees previously employed by Almonte shall be treated as having remained continuously employed.

10.7 Benefit Plans, Compensation and Payroll Matters.

(a) Payroll Practice. Sellers and Buyers agree that if the Closing Date falls within a payroll period, based on the customary payroll practices of the Sellers, Buyer shall, to the extent such obligations relating to periods of pre-Closing service are properly reflected as a current liability on the Closing Balance Sheet, assume responsibility for making payroll payments to the Transferred Employees for that payroll period, such that the payroll payment received by the Transferred Employee reflects the period of pre-Closing service with the Sellers and post-Closing service with the Buyer that relate to such payroll period. To the extent properly reflected as a current liability on the Closing Balance Sheet, Buyer shall assume responsibility for paying "stay bonuses" to Sellers' employees as reflected on Schedule 10.7(a). Any such payroll payments and "stay bonuses" shall be subject to applicable income tax withholdings and customary payroll deductions for each such Transferred Employee. The Closing Balance Sheet shall reflect the accrual of all payroll related obligations for periods through the Closing Date and all obligations to pay "stay bonuses" to employees of Sellers. Sellers shall pay to Sellers' employees (or shall reimburse Buyer for any amounts paid by Buyer) for all compensation paid or payable with respect to pre-Closing periods, including without limitation, all "stay bonuses", to the extent such compensation is not properly reflected as a current liability on the Closing Balance Sheet.

(b) Payroll. Buyer and Sellers agree that, with respect to the Transferred Employees, they respectively meet the definition of "predecessor" and "successor" as defined in Revenue Procedure 96-60 and in the Employment Standards Act 2000, S.O.

2000, c. 41 as amended. For purposes of reporting employee remuneration to the Internal Revenue Service ("IRS") on Forms W-2 and W-3 for the 2003 calendar year, Buyer and Sellers shall utilize the "Alternative Procedure" described in Section 5 of Revenue Procedure 96-60. Buyer and Sellers agree that for purposes of reporting employee remuneration for FICA purposes for the 2003 calendar year, Sellers meet the definition of "predecessor" and Buyer meets the definition of "successor" as defined in the IRS regulations sections 31.3121(a)(1)-1(b). Sellers shall supply to Buyer with respect to all Transferred Employees, all cumulative payroll information as of the Closing Date. Sellers and Buyer shall cooperate in good faith to adopt similar procedures under applicable state and provincial law if required.

(c) Assumption of Seller-Sponsored Retirement Plans. On the Closing Date, Sellers shall transfer to Buyer, and Buyer shall assume, sponsorship of all Seller-Sponsored Plans that are Retirement Plans and are set forth on Schedule 4.23(a). Buyer shall recognize service a Transferred Employee has with a Seller for purposes of the Retirement Plans assumed by Buyer.

(d) Assumption of Seller-Sponsored Welfare Plans. Buyer shall assume all insurance contracts set forth on Schedule 10.7(d) that provide benefits under any Seller-Sponsored Plan that is an Employee Benefit Plan or any third party administrative services or other services agreements that relate to any such Employee Benefit Plan; provided that Buyer's assumption of any Seller-Sponsored Plan is, in each case, contingent on the approval by the insurers (with respect to any insured benefit plan) or the third party administrators (with respect to any self-insured benefit plan) of the assignment of the insurance contract or administrative services agreement to Buyer. In the case of each Employee Benefit Plan that is assumed by Buyer, Buyer (or the Buyer's third party administrator or insurer) shall assume all responsibility and Liability to process and pay all eligible claims for benefits that are incurred by or with respect to Sellers' employees prior to the Closing Date (including employees who retired or terminated employment prior to the Closing Date) that are received at or after the Closing Date (including without limitation, benefits for claims incurred prior to Closing but for which the claim is received on or after the Closing Date). In addition, if Buyer assumes any Seller-Sponsored Plan subject to COBRA, Buyer shall be responsible and liable to provide COBRA continuation coverage to any former employee or other dependent who is a qualified beneficiary and whose qualifying event occurred on or prior to the Closing Date. Subsequent to the Closing Date, Buyer shall be responsible for all eligible claims for benefits and for COBRA for all Transferred Employees, provided that such benefit obligations are subject to the terms of the Buyer's employee benefit plans, as in effect from time to time.

(e) Retiree Health. In addition to, and not in lieu of, any provision of subsection (b), Buyer agrees to specifically assume all responsibility and Liability to provide the post-retirement health and life benefits specified on Schedule 10.7(e). Solely for purposes of this Section 10.7(e) and the proviso in Section 10.7(i) relating thereto, Randy Lenz, James Green and Joseph Kaufmann shall be third party beneficiaries and shall be entitled to enforce against Buyer the provisions of this Section 10.7(e) and the proviso in Section 10.7(i).

(f) Vacation. With respect to any earned but unused vacation time to which any Transferred Employee is entitled pursuant to the Sellers' vacation policy applicable to such Transferred Employee immediately prior to the Closing Date (the "Vacation Policy") and as listed on Schedule 10.7(f), to the extent properly accrued for as a current liability on the Closing Balance Sheet, Buyer shall allow such Transferred Employee who is employed by Buyer to use such earned vacation (or if the Transferred Employee terminates employment after the Closing Date but prior to taking such unused vacation time, shall pay such earned but unused vacation to such Transferred Employee); provided, however, that if Buyer deems it necessary to disallow such Transferred Employee from taking such earned vacation, then Buyer shall be liable for and pay in cash to each such Transferred Employee an amount equal to such vacation time in accordance with the terms of the Vacation Policy.

(g) Severance Liability. Sellers shall be responsible for and shall pay and provide all severance benefits due to Sellers' employees as a result of the termination of their employment with Sellers on and before the Closing Date (including as a result of the transactions contemplated by this Agreement).

(h) Information and Records. Sellers shall provide Buyer with such information as Buyer reasonably requests in order for Buyer to comply with the obligations set forth in this Section 10.7.

(i) Buyers' Right of Termination and Modification. Buyer reserves the right to modify, amend or terminate any Retirement Plan or Employee Benefit Plan it assumes pursuant to this Agreement at any time and to hire and fire employees at any time after the Closing as it determines in its sole discretion, provided any such modification, amendment or termination complies with applicable law and the terms of the Union Agreements and that any modification to the post-retirement benefits set forth on Schedule 10.7(e) shall not result in any material reduction in coverage.

10.8 Best Efforts. Each of the parties hereto shall use its commercially reasonable best efforts to cause all conditions precedent to its obligations under this Agreement to be satisfied. Sellers shall use all commercially reasonable best efforts to assist with and facilitate the transition of the customers, suppliers and independent sales representatives of the Business to Buyer.

10.9 Operating Lease. Within ninety (90) days after the Closing or such earlier date that Buyer shall enter into an operating lease with respect to the laser and related equipment that Sellers have identified to Buyer, Buyer shall reimburse Sellers $1,046,700 for amounts paid by Sellers through the Closing with respect to such equipment, provided that Sellers have paid such amount for such equipment.

10.10 Performance Bonds. After the Closing, Buyer shall cooperate in good faith with Sellers and Randy Lenz and shall use its reasonable best efforts to obtain the release of Randy Lenz as a guarantor of any of Sellers' obligations under performance bonds relating to the Business. Buyer shall indemnify Randy Lenz for any amounts that Randy Lenz is required to pay on account of any such guarantee of any such performance bonds to the extent relating to

any act or omission occurring after the Closing. Solely for purposes of this Section 10.10, Randy Lenz shall be a third party beneficiary and shall be entitled to enforce the provisions of this Section 10.10 against Buyer.

10.11 Virginia Lease. Buyer shall reimburse Sellers for the portion of the applicable lease payment for Sellers' Virginia facility relating to the period between Closing and the date that Buyer vacates the facility and shall otherwise neither have nor assume any obligation with respect to the Lease relating to Sellers' Virginia facility.

ARTICLE 11: INDEMNIFICATION

11.1 Indemnification by Sellers and Parent. Subject to the terms and conditions of this Article 11, Sellers and Parent shall, jointly and severally, indemnify, defend and hold harmless Buyer, its officers, directors, agents and representatives, and their respective successors and assigns, against all losses, damages, demands, claims, assessments, actions, Tax deficiencies, penalties, interest, reasonable attorneys' fees (including without limitation those incurred to enforce this indemnity), and other costs and expenses (collectively, the "Indemnified Losses") arising out of, or incident to, any of the following:

(a) any breach of any representation or warranty made by any of Sellers herein;

(b) any failure by any of Sellers or Parent to perform or fulfill any of Sellers' or Parent's covenants or agreements set forth herein (including any of Sellers' failure to discharge any of Sellers' Liabilities other than the Assumed Liabilities) or in any other agreement or document executed in connection with the transactions contemplated hereby or as a result of noncompliance with any applicable bulk transfer laws (except to the extent that any such claim arises out of any failure of Buyer to pay or otherwise satisfy any of the Assumed Liabilities);

(c) any Liability arising out of or resulting from the termination by Sellers of their employees prior to or as of the Closing, including but not limited to, claims based on allegations of age discrimination, racial discrimination, gender discrimination, any other category of discrimination, and/or claims for severance pay or, except as expressly assumed pursuant to the terms of this Agreement, accrued vacation pay, "stay bonuses" or other accrued benefits;

(d) any violation or alleged violation of WARN or any other applicable laws in respect to the termination of employees by Sellers prior to or on the Closing Date;

(e) notwithstanding anything to the contrary contained in any worker's compensation laws or otherwise that might impose sole Liability on Buyer, all Liabilities of any kind arising prior to the Closing Date relating to any employees, former employees or independent contractors of Sellers, including but not limited to, claims relating to exposure to asbestos, asbestos-containing materials, PCB compounds or other pollutants, contaminants or hazardous substances, or any other matter or material that could cause personal injuries, whether such injuries exist now or are manifested any time subsequent to the Closing Date;

(f) any Liability associated with any Seller-Sponsored Plan to the extent that it is based on the administration, operation or sponsorship of such Seller-Sponsored Plan by Sellers in violation of law, fiduciary duty or provision of such Seller-Sponsored Plan prior to or on the Closing Date;

(g) any and all monitoring, investigation and remediation of Hazardous Substances present at, on, beneath (including in the subsurface) or in the surrounding area of Sellers' facilities in Clintonville, Wisconsin (the "Clintonville Property") and Carleton Place, Ontario, Canada (each of these two locations hereinafter may be referenced as a "Covered Property") at the Closing Date to the extent that the Indemnified Losses under this Section 11.1(g) for groundwater monitoring exceed $15,000 per year and to the extent that all other Indemnified Losses under this Section 11.1(g) exceed an aggregate of $75,000; provided however, that any claim for Indemnified Losses pursuant to this Section 11.1(g) must also be asserted prior to the second anniversary of the Closing Date; and

(i) Notwithstanding the provisions of this Section 11.1(g), Buyer shall not be entitled to recover any Indemnified Losses under this Section 11.1(g) to the extent such Indemnified Losses are for actions taken by Buyer, or any party at the direction of Buyer, which actions are not required by a Governmental Entity, are not in response to any claim, suit, action, proceeding or threat thereof against Buyer or with respect to any Covered Property, and are not required by applicable Environmental Laws. For the sake of clarity, and out of abundance of caution, any Indemnified Losses arising from actions by Buyer, or any party at the Buyer's direction, in response to the October 11, 2002 letter from the Wisconsin Department of Natural Resources or to the conditions set forth in such letter are deemed not to constitute voluntary actions under this Subsection 11.1(g)(i) and are Indemnified Losses which Buyer is entitled to recover under Section 11.1(g); and

(ii) any remediation for which Buyer seeks indemnity under this Section 11.1(g) shall be performed based upon non-residential use of the property, unless a governmental agency or unrelated third party does not approve of the use of this assumption. (For purposes of the preceding sentence, an unrelated third party does not include any equity investor in Buyer or any lender of Buyer's, or any entity who seeks remediation to a residential standard as part of its agreement to purchase a Covered Property or the Business.) In addition, Buyer shall accept reasonable restrictions prohibiting the use of groundwater beneath the Covered Property for on-site potable purposes and limiting the property to non-residential uses as part of a remediation strategy for which Buyer seeks indemnity under this Section 11.1(g); provided however, that any such related restrictions must not materially impact Buyer's reasonable use of the Covered Property.

(iii) In carrying out any investigation, remediation or monitoring under this Agreement, Buyer shall have the initiative and shall decide the approach for such activities, subject to the limits stated herein. Buyer will perform work which constitutes an Indemnified Loss in a cost-effective manner. Parent shall have the right to approve any consultant Buyer proposes to use to oversee the performance of indemnified work. If Parent's written disapproval is not received within ten (10) days of written notice from Buyer that Buyer intends to use said consultant, Parent shall be deemed to have approved Buyer's use of said consultant. Parent's disapproval shall not be unreasonably withheld or conditioned, and any disapproval must be accompanied by the reasons therefore, set forth in sufficient detail to support Parent's position. Parent hereby approves Earth Tech as a consultant whom Buyer may use to oversee the performance of work which constitutes an Indemnified Loss. Parent shall have the right to review and submit written comments to Buyer within ten (10) days of written notice from Buyer regarding the nature and scope of any proposed investigation, remediation or monitoring, which comments Buyer will consider in good faith. Buyer must consider the lowest cost alternative that will accomplish the goals of the proposed investigation, remediation or monitoring that will not materially impact Buyer's reasonable use of the Covered Property. Buyer shall provide to Parent copies of all correspondence between Buyer and any Governmental Entity concerning the investigation, remediation or monitoring and shall provide to Parent copies of all measurements, data, sampling, analyses and/or other materials resulting from or produced pursuant to the investigation, remediation or monitoring (not including drafts, privileged or other information protected from discovery were the matter to be in litigation) as soon as the same are available to Buyer.

(iv) Sellers shall have no further responsibility for an Indemnified Loss under this section or arising as a result of a breach of Sellers' representations and warranties under Section 4.14 after Buyer has obtained a written determination from the appropriate Governmental Entity that no further action is required for any environmental matter for which Buyer has properly presented a claim under this Article 11, unless such further Indemnified Loss related to such matter arises from the action(s) of entities other than Buyer which action(s) were not solicited by Buyer (such further Indemnified Loss which is indemnified hereunder includes, by way of example but without limitation, a reopener or overfiling by a Governmental Entity); and

(h) any Liability other than the Assumed Liabilities.

11.2 Indemnification by Buyer. Subject to the terms and conditions of this Article 11, Buyer shall indemnify, defend and hold harmless each of Sellers and Parent and their respective officers, directors, agents and representatives, and their respective successors and assigns, against all Indemnified Losses arising out of, or incident to, any of the following:

(a) any breach of any representation or warranty made by Buyer herein; and

(b) any Liability associated with any Retirement Plan or Employee Benefit Plan sponsored by Buyer subsequent to the Closing to the extent that is based on the administration, operation or sponsorship of such Retirement Plan or Employee Benefit Plan by Buyer;

(c) any failure by Buyer to perform or fulfill any of Buyer's covenants or agreements set forth herein (including Buyer's failure to pay, discharge or perform any of the Assumed Liabilities) or in any other agreement or document executed in connection with the transactions contemplated hereby.

11.3 Notice of Claims. All claims for indemnification hereunder shall be resolved in rdance with the following procedures:

(a) If any of Buyer or Sellers, as appropriate, have incurred or reasonably believe that they may incur any Indemnified Loss (the "Indemnified Party"), they shall deliver promptly written notice to the other (the "Indemnifying Party") setting forth in reasonable detail the nature and amount of the Indemnified Loss or potential Indemnified Loss, if possible, and further referencing the sections of this Agreement upon which the claim for indemnification for such Indemnified Loss is based (a "Claim Notice"). If an Indemnified Party receives notice of a third-party claim for which it intends to seek indemnification hereunder, it shall give the Indemnifying Party prompt written notice of such claim, so that the Indemnifying Party's defense of such claim under Section 8 hereof may be timely instituted.

(b) If, after receiving a Claim Notice for an Indemnified Loss, the Indemnifying Party desires to dispute such claim or the amount claimed in the Claim Notice, it shall deliver to the Indemnified Party, a written objection to such claim or payment setting forth the basis for disputing such claim or payment. Such notice shall be delivered within thirty (30) days after the date the Claim Notice to which it relates is received by the Indemnifying Party. If no such notice is received within the aforementioned 30-day period, the Indemnified Party shall be entitled to payment for such Indemnified Loss from the Indemnifying Party within ten (10) days of the end of such 30-day objection period.

(c) If within thirty (30) days after receipt by an Indemnified Party of the objection notice to a Claim Notice the parties shall not have reached agreement as to the claim or amount in question, the claim for indemnification shall be submitted to arbitration at Wilmington, Delaware, or such other location in Delaware as the parties may agree, pursuant to the Commercial Rules (the "Rules") of the American Arbitration Association ("AAA") by an arbitrator mutually agreed upon by the parties. Such arbitrator shall be selected by the parties hereto no later than ten (10) days after AAA notifies each party that a demand for arbitration has been filed ("Arbitrator Designation Period"). In the event Buyer and Sellers are unable to agree on an arbitrator within the Arbitrator Designation Period, AAA shall appoint a neutral arbitrator in accordance with the Rules no later than ten (10) days following the expiration of the Arbitrator

Designation Period. The designated arbitrator shall not be an agent, employee, member or affiliate of the Buyer, Sellers or Parent. The arbitrator may, in his or her discretion, award to the prevailing party its costs of the proceeding, including attorneys' fees and expenses. The decision of the arbitrator shall be final and binding on the parties, and judgment upon the decision may be entered in any court of competent jurisdiction.

11.4 Defense of Third-Party Claims. The Indemnifying Party under this Article 11 shall have the right to conduct and control through counsel of its own choosing, which counsel shall be reasonably acceptable to the Indemnified Party, any third-party claim, action or suit, but the indemnified party may, at its election, participate in the defense of any such claim, action or suit at its sole cost and expense. Except with the prior written consent of the Indemnified Party, no Indemnifying Party, in the defense of such claim or litigation, shall consent to entry of any judgment or order, interim or otherwise, or enter into any settlement that provides for injunctive or other nonmonetary relief affecting the Indemnified Party or that does not include as an unconditional term thereof the giving by each claimant or plaintiff to such Indemnified Party of a release from all Liability with respect to such claim or litigation.

11.5 Failure to Defend. In the event that the Indemnifying Party does not elect to defend against any third-party claim, the Indemnified Party may defend against, settle or otherwise deal with any such claim in such manner as it may in its good faith discretion deem appropriate, and, to the extent provided in this Article 11, the Indemnifying Party shall be liable for indemnification with respect to such matter, including, without limitation, any legal expenses reasonably incurred in connection with such defense.

11.6 Cooperation. In the event of any claim by a third party, Sellers, Parent and Buyer will cooperate fully with each other in connection with the defense or settlement of such matter.

11.7 Survival of Representations and Warranties. The representations and warranties of Sellers, Parent and Buyer set forth in this Agreement shall survive the Closing, subject to Section 11.9, for a period of 18 months; provided however, that the representations and warranties set forth in Section 4.14 shall survive for a period of 24 months. The covenants and agreements of Sellers, Parent and Buyer shall survive the Closing until discharged in accordance with their terms.

11.8 Limitation on Indemnification by Sellers. Subject to Section 11.9, no amount shall be payable by Sellers and/or Parent to Buyer or Buyer's Indemnified Parties under Section 11.1 (other than pursuant to Section 11.1(b)) unless and until the aggregate amount of this type of Indemnified Losses exceeds $250,000 (the "Minimum Threshold"), and then Sellers shall indemnify Buyer and Buyer's Indemnified Parties to the full extent of such Indemnified Losses in excess of the Minimum Threshold; provided, however, that Sellers' Liability for Indemnified Losses shall not exceed $6,000,000.

11.9 Exceptions to Limitations. The limitations on indemnification obligations set forth in Section 11.8 and the limitation on the periods during which the representations and warranties in this Agreement survive the Closing as set forth in Section 11.7 shall not apply to: (i) any breach of any representation or warranty set forth in Sections 4.2, 4.3, 4.8 and 4.9 or (ii) any fraudulent, intentional or willful breach of this Agreement.

11.10 Right of Offset. Buyer shall first set off all items required to be indemnified by Sellers and Parent under the terms of this Agreement against payments then due and owing to Sellers under this Agreement and the outstanding balance of the Note (including accrued interest) and thereafter, may pursue all other available remedies under law or at equity. Buyer may, at its option, set off any items required to be indemnified by Sellers and Parent against any other obligations of Buyer to Sellers.

ARTICLE 12: GENERAL PROVISIONS

12.1 Expenses. Except as otherwise specifically provided in this Agreement, each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including, without limitation, accounting and legal fees incurred in connection therewith.

12.2 Cooperation. All parties shall cooperate fully with any one other in furnishing any information or performing any action reasonably requested by any other party, which information or action is necessary to the speedy and successful consummation of the transactions contemplated by this Agreement.

12.3 Additional Actions. After the Closing Date, the Parties will at any time and from time to time do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged or delivered, all such additional actions, documents and assurances as may be reasonably required by the other in order to carry out fully and effectuate, in accordance with the provisions of this Agreement and any related documents, the transactions contemplated hereby.

12.4 Successors and Assigns. This Agreement shall be binding upon, shall inure to the benefit of, and be enforceable by the parties hereto and their respective successors and assigns.

12.5 Confidentiality. All information disclosed heretofore or hereafter by Buyer, on the one hand, or Sellers and Parent, on the other hand, to the other in connection with this Agreement shall be kept confidential by such other parties, and shall not be used by such other parties otherwise than in connection with this Agreement, except to the extent it was known when received or as it is or hereafter becomes lawfully obtainable from other sources, or to the extent that such duty as to confidentiality and nonuse is waived, or except as may be required by court order or any Governmental Entity. Each of Sellers, Parent and Buyer desire that Purchase Price information not be publicized except as required by law.

12.6 Governing Law. This Agreement shall be governed by and construed in accordance with the internal, substantive laws of the State of Delaware without regard to the conflict of law principles thereof.

12.7 Amendments, Waivers, Etc. No amendment, modification or discharge of this Agreement, and no waiver of any condition or the breach of any provision, term, covenant, representation or warranty hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, 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 be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term,

covenant, representation or warranty of this Agreement, and shall not impair the rights of the party granting such waiver in any other respect or at any other time. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right at a later date to enforce the same or to enforce any future compliance with or performance of any of the provisions hereof.

12.8 Entire Agreement. This Agreement, together with the Related Agreements and the Other Documents, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes and cancels any and all prior agreements and understandings, both written and oral, among them relating to the subject matter hereof, except as otherwise specifically provided herein.

12.9 Meaning of Knowledge. Any reference in this Agreement or in any Related Agreement or Other Document to Sellers' "knowledge" (whether to "Sellers' best knowledge," to "the knowledge of Sellers" or other similar expressions relating to the knowledge or awareness of Sellers) shall mean and include all matters to the actual knowledge of Randy Lenz, James Green or Joseph Kaufmann, after a reasonable inquiry. In making each representation or warranty set forth in this Agreement and in any Related Agreement or Other Documents which is qualified by the knowledge of any Seller, each of Sellers and Parent represent and warrant that Randy Lenz, James Green or Joseph Kaufmann has duly inquired of all relevant officers and directors as to the accuracy and completeness of such representation or warranty.

12.10 Buyer's Inspection; Adequacy of Disclosure. No inspection or investigation by Buyer of any matter relating to the Acquired Assets or the Business shall be deemed a waiver by Buyer of any representation, warranty or covenant of Sellers or Parent hereunder. Any item disclosed in any Schedule hereto in connection with a representation, warranty or covenant of Sellers shall be deemed disclosed only in connection with the specific representation, warranty or covenant to which the item is explicitly referenced.

12.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement.

12.12 Notices. All notices, demands and other communications that are required or permitted to be given hereunder or with respect hereto shall be in writing, shall be given either by personal delivery, by nationally recognized overnight courier or by telecopy and shall be deemed to have been given or made upon receipt when personally delivered, when deposited with charges prepaid with the nationally recognized overnight courier, or when transmitted on telecopy machine, addressed to the respective parties as follows:

(a) If to Parent, Almonte Investment or Sellers:

Stacie Daley, Esquire
EMBC
5401 N. Federal Highway
Ft. Lauderdale, FL 33308
Telephone: (954) 202-9990

Telecopy: (954) 202-9988

With a copy to:

Phillip J. Hanrahan
Foley & Lardner
777 East Wisconsin Avenue
Milwaukee, WI 53202-5306
Telephone: (414) 297-5645
Telecopy: (414) 297-4900

(b) If to Buyer:

Seagrave Fire Apparatus, LLC
105 East 12th Street
Clintonville, WI 54929
Attention: James L. Hebe
Telephone: (715) 823-2141
Telecopy: (715) 823-5768

With a copy to:

Klehr, Harrison, Harvey, Branzburg & Ellers LLP
260 S. Broad Street
Philadelphia, PA 19102
Attention: Michael C. Forman, Esquire
Telephone: (215) 568-6060
Telecopy: (215) 568-6603

Any party may by notice change the address to which notice or other communications to it are to be delivered or mailed.

12.13 No Third Party Beneficiaries. Nothing in this Agreement expressed or implied, is intended to confer on any Person other than the parties hereto or their respective personal representatives, heirs, successors and assigns, any rights, remedies, obligations or Liabilities under or by reason of this Agreement, except where an individual is expressly identified as a third party beneficiary and, in each such case, solely to the extent expressly provided.

12.14 No Assignment. This Agreement shall not be assignable by any party hereto without the prior written consent of the others.

12.15 Headings. The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement. Throughout this Agreement, the masculine gender shall be deemed to include the feminine and the neuter, the singular the plural, and the plural the singular, all as the context may require.

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

12.17 Guaranty by Parent. Subject to the limitations set forth in Section 11.8, in consideration of the benefits to Sellers under this Agreement, Guarantor and Almonte Investments do hereby guarantee jointly and severally with Sellers all of the agreements, representations, warranties, covenants and agreements to indemnify made by Sellers under this Agreement and under all Related Agreements and Other Documents. Guarantor and Almonte Investments may be joined in any action against Sellers or recovery can be had in such action or in any independent action against Guarantor or Almonte Investments without first exhausting any claim against Sellers. Guarantor and Almonte Investments waive any notice of default, any right to approve amendments and/or deviations from this Agreement, and acknowledge that execution, of this Agreement by Buyers constitutes acceptance of this guaranty.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of ay and year first above written.

BUYER:

SEAGRAVE FIRE APPARATUS, LLC

By: _____
Name: James L. Hebe
Title President

SEAGRAVE FIRE APPARATUS COMPANY

By: _____
Name: James L. Hebe
Title President

SELLERS:

FWD CORPORATION

By: _____
Name: James M. Green
Title CEO & Pres.

SEAGRAVE SALES & SERVICE LLC

By: _____
Name: James M. Green
Title President

AERIALSCOPE, INC.

By: _____
Name: James M. Green
Title President

ALMONTE FIRE TRUCKS CO.

By: _____
Name: James M. Green
Title President

ALMONTE INVESTMENT PARTNERS, L.P.
By: Fremar, LLC, its general partner

By: _____
Name: Stacie Daley
Title member

CORSTA CORPORATION

By: _____
Name: Corbett Lenz
Title pres

Schedule 4.26

Intellectual Property

1. U.S. - Registration no. 1553582 covering the mark "AERIALSCOPE"
2. U.S. - Registration no. 2385216 covering the mark known as "the Flame design"
3. U.S. - Registration no. 2013650 covering the mark "SEAGRAVE"
4. U.S. - Registration no. 0107444 covering the mark "FWD"
5. U.S. - Registration no. 0709270 covering the mark "FWD in concentric circles in box"
6. U.S. – Registration no. 0698490 covering the mark "FWD"
7. France - Registration no. 1595036 covering the trademark "FWD"
8. Israel - Registration no. 10538 covering the trademark "FWD"
9. Egypt - Registration no. 2485 covering the trademark "FWD"
10. Great Britain - Registration no. 506631 covering the trademark "FWD"
11. Jordan - Registration no. 1255 covering the trademark "FWD"
12. Canada - Registration no. TMDA26155 covering the trademark "FWD"
13. Argentina - registration no. 1.802,462 covering the trademark "FWD"
14. Brazil - Registration no. 002.853.175 covering the trademark "FWD"
17. Sponsorship Agreement, dated April 7, 1997, by and between The Franklin Mint and The Four Wheel Drive Corporation/Seagrave Fire Apparatus, and related ancillary documents.
18. Sponsorship Agreement, dated March 11, 1996, by and between The Franklin Mint and FWD Corporation/Seagrave Fire Apparatus, and related ancillary documents.
19. Sponsorship Agreement, dated May 31, 1996, by and between The Franklin Mint and The Four Wheel Drive Corporation/Seagrave Fire Apparatus, and related ancillary documents.
20. Non-exclusive Trademark License Agreement, dated May 8, 1998, by and between Resin Unlimited and FWD Corporation.

21. Non-exclusive Trademark License Agreement, dated June 1, 2002, by and between FWD Corporation/Seagrave Fire Apparatus and Boley Corporation.

22. Non-exclusive Trademark License Agreement, dated February 13, 2003, by and between Aerialscope and Boley Corporation.

23. Non-exclusive License Agreement, dated September 24, 1997, by and between FWD Corporation and Matchbox Collectibles, Inc., as amended on May 27, 2000.

24. Non-exclusive Trademark License Agreement, dated June 15, 2000, by and between FWD Corporation and Corgi Classics Limited.

25. Letter Agreement, dated July 5, 1995, by and between Seagrave Fire Apparatus, Inc. and Funrise Toy Corporation, and related ancillary document.