

12-26-2001

SHEET

12/17/01



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BOX ASSIGNMENTS, Commissioner of Patents and Trademarks, Washington, D.C. 20231
Please record and index the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): World of Plastics, Inc. State of Delaware_Corporation</p>	<p>2. Name and address of receiving party(ies): Name: Freedom Plastics, Inc. Address: 215 South Arch Street City: Janesville State: WI Zip: 53547 Type of Company: Corporation Corporation-State: Wisconsin</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designation must be a separate document from Assignment) Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3. Nature of Conveyance: Asset Purchase Agreement Execution Date: May 12, 1997</p>	

<p>4. A. Trademark Application No.(s)</p>	<p>B. Trademark Registration No.(s) 1,153,927 and 1,189,984</p>
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Additional numbers attached? Yes No

<p>5. Name and address of party to whom correspondence concerning document should be mailed: Emily C. Canedo Michael Best & Friedrich LLP 100 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4108</p>	<p>6. Total number of applications and registrations involved: <u>2</u></p>
	<p>7. Total fee (37 CFR 3.41):.....\$ 65.00 <input checked="" type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Deficiencies in fee charged to deposit account</p>
	<p>8. Deposit account number: 13-3080</p>

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01 FC:481 40.00 OP
02 FC:482 25.00 OP

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Emily C. Canedo Emily C. Canedo December 17, 2001
Name of Person Signing Signature Date
Total number of pages including cover sheet, attachments, and document: 31

United States Postal Service Express Mail Mailing Label No. EL716054924US

cc: Docketing

TRADEMARK
REEL: 002412 FRAME: 0511

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made this 12th day of May, 1997, by and among **Freedom Plastics, Inc.**, a Wisconsin corporation on behalf of WOP Acquisition Corp., a Wisconsin corporation (the "Buyer"), **World of Plastics, Inc.**, a Delaware corporation (the "Seller"), and **David and Gloria Stuart**, being the controlling shareholders of the Seller (the "Controlling Shareholders").

RECITALS

The Seller is engaged in the business of production and sale of plastic pipe and fabricated fittings (the "Business"). The Buyer desires to purchase, and the Seller desires to sell, certain of the assets of the Seller upon the terms and conditions herein set forth.

IT IS HEREBY AGREED AS FOLLOWS:

AGREEMENT

ARTICLE I

PURCHASE AND SALE OF ASSETS

1.1 **Purchased Assets.** Subject to the terms and conditions herein set forth, the Buyer shall purchase on the Closing Date (as hereinafter defined), and the Seller shall sell and transfer to the Buyer, all of the Seller's assets and properties of every kind and description, owned by the Seller and used or held for use in the conduct of the Business, except only the assets excluded pursuant to Section 1.2 hereof (the "Purchased Assets"). The Purchased Assets shall include, without limitation, the following:

(a) All land, buildings, improvements, fixtures and appurtenances thereto, including, without limitation, the real estate described on Schedule 1.1(a) attached hereto (the "Real Estate");

(b) All equipment (building or office), machinery, tooling, dies, molds, patterns, stampings, prototypes, parts, components, projects in process, furniture, fixtures and fixed assets, including, without limitation, those items listed on Schedule 1.1(b) attached hereto (the "Equipment");

(c) All inventories, including, without limitation, finished goods, work-in-process and raw materials and supplies (the "Inventories") as set forth on Schedule 1.1(c) attached hereto;

- (d) All manufacturing, delivery, office and other supplies;
- (e) All governmental and non-governmental licenses, permits, authorizations, certifications, accreditation, consents and indulgences required for Buyer to own or operate those items contained in Sections 1.1(a)-(d) hereof;
- (f) The Seller's records listed in Schedule 1.1(f) attached hereto;
- (g) All lists of customers, suppliers, vendors and sources; computer software and files; all information, blueprints, engineering data, drawings, sales and promotional materials, and telephone and telecopier numbers and listings (the foregoing shall not apply to Seller's corporate minute books, stock certificates, stockholders correspondence, incorporation paperwork, checkbooks, bank statements or canceled checks) Buyer shall have reasonable access to Seller's accounts receivable and payable records, journals and other accounting records necessary to carry on the Business);
- (h) All rights of the Seller pursuant to contracts, purchase orders, sales orders, leases deemed by the Buyer to be necessary to operate the Business, and other agreements whatsoever and rights to refunds (the "Contracts"); and
- (i) All right, title and interest (including the right to sue for past infringements) in and to intellectual property, including, without limitation, all patents and applications therefor, unpatented inventions, trademarks, trade names (including "World of Plastics" and derivations thereof), service marks, copyrights, applications for and registrations of any of the foregoing, know-how, trade secrets, formulas and technical information and the goodwill associated with any and all of the foregoing throughout the world.

1.2 Excluded Assets. The Purchased Assets shall not include, and the Seller shall retain, the following assets:

- (a) Cash;
- (b) All trade and other accounts receivable, all notes receivable and all other amounts receivable (the "Receivables");
- (c) All warranty rights, guaranty rights, causes of actions, judgments and claims and similar rights of the Seller against vendors, suppliers, designers, architects, engineers or other third parties;
- (d) All prepaid expenses, advance payments, deposits, all repayments of utility charges, income, property or excise taxes (the "Prepaid Expenses");

- (e) Invested funds and marketable securities;
- (f) The Seller's rights under this Agreement;
- (g) The personal effects and memorabilia described on Schedule 1.2 attached hereto;
- (h) Notes payable to the Controlling Shareholders or any shareholder of the Seller; and
- (i) All interests in and rights under the insurance policies except under Seller's products liability insurance coverage which shall continue to provide coverage for products produced or sold by Seller prior to the Closing.
- (j) One (1) 1996 Buick Park Avenue and one (1) 1989 Mercedes 560SL.
- (k) Patents and intellectual property as described in Schedule 1.3 which are personal to David Stuart and are not connected to the Business; and
- (l) The fence extrusion tooling consisting of seven (7) pieces of equipment and the cup tooling for injection molding not used in the Business and as listed on Schedule 1.2(l).

1.3 Closing. The closing (the "Closing") of the purchase and sale of the Purchased Assets shall take place at 10:00 a.m., local time, on the Closing Date, at the offices of Melville & Sowerby, P.A., 2940 South 25th Street, Fort Pierce, FL 34981, or at such other time and place as may be mutually agreed to by the Buyer and the Seller. The "Closing Date" means May 12, 1997, or such other date as may be mutually agreed to by the Buyer and the Seller. The Closing shall be effective as of 12:01 a.m. on the Closing Date.

ARTICLE II

CONSIDERATION FOR TRANSFER

2.1 Purchase Price. The purchase price (the "Purchase Price") for the Purchased Assets shall be Three Million Six Hundred Fifty Thousand Dollars (\$3,650,000) plus the value of the Inventories as set forth in Section 2.2(b). Buyer and Seller shall allocate the Purchase Price in accord with Section 1060 of the Internal Revenue Code of 1986, as amended, as indicated on Schedule 2.1.

2.2 Payment of the Purchase Price. The Purchase Price shall be paid at the Closing as follows:

(a) The Buyer shall pay the Seller, by wire transfer of immediately available funds to such account as is designated by the Seller, an amount equal to \$ 3,650,000, plus or minus, as appropriate, any prorations pursuant to Section 2.3 hereof.

(b) Payment for the inventories described in Section 1.11(c) shall be made as follows:

(i) Finished Goods Inventory. At the Closing, Buyer shall deliver to Seller a promissory note in the form attached hereto as Schedule 2.2(b) for the value of the finished goods inventory based on the Seller's cost on a FIFO basis. The promissory note shall be payable to the extent of 90% of the principal amount thereof, 60 days following the Closing date. The promissory note shall be without interest but shall be secured by a second position on the equipment portion (at the Seller's expense) of the Purchased Assets and guaranteed by Freedom Plastics, Inc. The remaining 10% of the principal shall be retained to cover out of specification Finished Goods Inventory that is older than one year and not included in Schedule 2.2(b)(i). If any Finished Goods Inventory should be determined to be out of specification by NSF in accordance with ASTM standards or as confirmed by the Lender, at any time during the term of this Note, then its value shall be reduced by fifty percent (50%). Finished goods inventory scheduled in Schedule 2.2(b)(i) will be paid in cash within 60 days of sale. Other finished goods inventory which support the 10% retainage will be calculated quarterly and the retainage will be reduced to reflect the actual amount of unsold finished goods inventory.

The Seller and Shareholders will hold the Buyer harmless from any claim for any reason on pipe or fittings dated prior to the Closing Date. Twelve months following the closing the then-existing unsold original finished goods inventory, excluding the value of 5", 14" and 16" and 4" through 8" SDR 35 as shown in Schedule 2.2(b)(i) shall be determined to be obsolete. The prices for such obsolete inventory shall be determined at 50% of the Seller's cost. Quality testing shall determine whether finished goods inventory is within specification and salable and the results of such testing shall be reported to the Seller.

For purposes of this Section all inventory will be handled on a FIFO basis.

Buyer agrees to use its best efforts to sell the finished goods inventory and will normally attempt to fill orders with finished goods inventory purchased hereunder prior to filling orders with its own inventory produced after the Closing Date.

(ii) Raw material and supplies inventory. All raw material inventory as identified on Schedules 2.2(b)(ii) will be paid for by Buyer at Seller's cost within 60 days after conversion of such raw material to finished goods. All production and shipping supplies inventory including wood, steel bands and gaskets will be paid for by the Buyer within 60 days of use at Seller's cost.

(iii) Scrap and Re grind. All scrap and regrind shall be valued at \$.20 per pound and will be paid for by Buyer within 60 days after conversion of each material to finished goods.

2.3 Prorations.

(a) Personal property and real estate taxes for the Purchased Assets for 1997 shall be prorated on the Closing Date based upon the taxes assessed for 1996; but if the taxes assessed for 1996 are not known on the Closing Date, such taxes shall be prorated based upon the taxes assessed for 1995 and shall be re-prorated within five (5) days after the 1996 tax assessment and rate shall become available with appropriate payment made. Final readings shall be obtained for utility services as of the Closing Date, if available. If final readings are not available, the charges therefor shall be prorated on a daily basis.

ARTICLE III

LIABILITIES

3.1 Non-Assumption of Liabilities. The Buyer shall not assume, pay, perform, discharge, or accept any liabilities, debts or obligations of the Seller of any kind whatsoever, whether actual, contingent, accrued, known or unknown, including, without limitation, any liabilities relating to taxes, employee compensation, pension, profit-sharing, vacation, health insurance, disability insurance or other employee benefit plans and programs, worker's compensation, breach or negligent performance of any contract, or breach of warranty relating thereto, liabilities resulting from breach of contract, torts, illegal activity, unlawful employment or business practice or any other liability or obligation whatsoever.

ARTICLE IV

**REPRESENTATIONS AND WARRANTIES OF THE
SELLER AND CONTROLLING SHAREHOLDERS**

In order to induce the Buyer to enter into this Agreement, the Seller and the Controlling Shareholders, jointly and severally, make the following representations and warranties to the Buyer, each of which shall be deemed to be independently material and relied upon by the Buyer, regardless of any investigation made by, or information known to, the Buyer.

4.1 Ownership, Organization and Qualification. The Controlling Shareholders own a majority of the issued and outstanding shares of common stock of the Seller. The Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of

Delaware. Seller is qualified to transact business as a foreign corporation in the state of Florida, and is not otherwise required to be so qualified in any other jurisdiction.

4.2 Conflicting Obligations. The execution and delivery of this Agreement does not, and the consummation of the sale and purchase of the Purchased Assets contemplated hereby will not: (a) conflict with or violate any provisions of the articles or certificate of incorporation or bylaws of the Seller; (b) conflict with or violate any provisions of, or result in the maturation or acceleration of, any obligations under any contract, agreement, instrument, document, lease, license, permit, indenture, or obligation, or any law, statute, ordinance, rule, regulation, code, guideline, order, arbitration award, judgment or decree, to which the Seller or the Controlling Shareholders are subject or to which the Seller or the Controlling Shareholders are a party; or (c) violate any restriction or limitation, or result in the termination or loss of any right (or give any third party the right to cause such termination or loss), of any kind to which the Seller or the Controlling Shareholders are bound or has. Except as set forth on Schedule 4.2, no third-party consents, approvals or authorizations are necessary for the execution and consummation of the transactions contemplated hereby.

4.3 Authorization. The Seller and the Controlling Shareholders have all necessary power and authority to enter into and perform the transactions contemplated hereby in accordance with the terms and conditions hereof. The execution and delivery of this Agreement, and the performance by the Seller of each of its obligations contained herein, have been duly approved by the Seller's Board of Directors and its controlling shareholders as required by Delaware law.

4.4 Financial Statements. Attached hereto as Schedule 4.4 are complete copies of the audited financial statements (including balance sheets and statements of earnings, stockholders' equity and cash flow) of the Seller for each of its fiscal years ending October 31, 1992, through and including October 31, 1996, and a complete copy of the unaudited financial statements (including balance sheets and statement of earnings and cash flow) of the Seller for the three-month period ending January 31, 1997 (collectively, the "Financial Statements"). The balance sheet of the Seller for the period ending January 31, 1997, hereinafter is referred to as the "Latest Balance Sheet." The Seller's books and records of accounts accurately reflect all of the assets, liabilities, transactions and results of operations of the Seller, and the Financial Statements have been prepared based upon and in conformity therewith. The Financial Statements have been prepared in accordance with generally accepted accounting principles maintained and applied on a consistent basis throughout the indicated periods, and fairly present the financial condition and results of operation of the Seller at the dates and for the relevant periods indicated. True and correct copies have been delivered to Buyer of all written reports submitted to the Seller or the Controlling Shareholders by the Seller's auditors during the last five years relating to the findings of audits or examination of the books and records of the Seller.

4.5 Real Property.

(a) Good Title; Condition. Attached hereto as Schedule 4.5(a) is a true and correct legal description of all real properties owned by the Seller (the "Owned Real Estate"). The Seller has good and marketable fee simple title to all Owned Real Estate (including buildings, structures and fixtures thereon or attached thereto), in each case free and clear of all mortgages, liens, security interests, easements, covenants, rights-of-way and other encumbrances or restrictions of any nature whatsoever. All buildings, structures and other improvements on the Owned Real Estate are in reasonably good condition and repair (normal wear and tear excepted) and within the lot lines and do not encroach on the properties of any other person. To the best of Seller's and Controlling Shareholders knowledge, the use and operation of the Owned Real Estate conform to all applicable building, zoning, safety, and other laws, statutes, ordinances, rules, regulations, codes, licenses, permits, and all other restrictions and conditions. No portion of any of the Owned Real Estate is located in a flood plain, flood hazard area or designated wetlands area. The Seller has not received any written or oral notice of, and neither the Seller nor the Controlling Shareholders know of, any assessments for public improvements against the Owned Real Estate or any written or oral notice or order by any governmental, regulatory or administrative authority, any insurance company which has issued a policy with respect to any of such properties or any board of fire underwriters or other body exercising similar functions that: (i) relates to violations of building, safety or fire ordinances or regulations; (ii) claims any defect or deficiency with respect to any of such properties; or (iii) requests the performance of any repairs, alterations or other work to or in any of such properties or in the streets bounding the same. There are no arrangements for the deferral of taxes or assessments for any of the Owned Real Estate. There is no condemnation, expropriation, eminent domain or similar proceeding affecting all or any portion of the Owned Real Estate pending or, to the knowledge of the Seller and the Controlling Shareholders, threatened. Those public utilities (including water, gas, electric, storm and sanitary sewage, and telephone utilities) required to operate the facilities of the Seller are available to such facilities, and such utilities enter the boundaries of such facilities through adjoining public streets or easement rights-of-way. Such public utilities are all connected pursuant to valid licenses or permits, are all in good working order and are adequate to service the operations of such facilities as currently conducted and permit full compliance with all requirements of law.

(b) Capital Expenditures and Repairs. The Owned Real Estate is adequate for the present conduct of the Business, and, except as set forth on Schedule 4.5(b)(i), the Seller has no present plan to purchase any other real estate so as to be able to continue the Business as presently conducted or presently planned to be conducted in the future. Except as set forth on Schedule 4.5(b)(ii), no capital expenditures relating to the Owned Real Estate (excluding only normal maintenance and repair made consistently with past practice and which are required to be expensed for federal income tax purposes) or remediations suggested or required by any applicable governmental, administrative or regulatory authority or insurer, in the next twelve (12) months in an amount exceeding \$10,000, are necessary to carry on the Business as it is presently conducted, nor are any such expenditures planned.

4.6 Personal Property. Except for such personal property as has been disposed of in the ordinary course of the Business since the date of the Latest Balance Sheet, the Seller owns all property reflected on the Latest Balance Sheet, as well as all property acquired by the Seller since the date of the Latest Balance Sheet. All tangible personal property of the Seller is located upon the Seller's premises, except as otherwise set forth on Schedule 4.6(a) attached hereto. All of such personal property reflected on the Latest Balance Sheet is actually on hand, increased and decreased, respectively, by acquisitions and dispositions of such property in the ordinary course of business since the date of the Latest Balance Sheet. All such property is in reasonably good condition and repair (normal wear and tear excepted). The Seller owns good and marketable title to all personal property that is part of the Purchased Assets, free and clear of all security interests, including any conditional sale or other title retention agreements, liens, claims, charges, pledges, exceptions, and defects of title and other encumbrances of any kind, except as otherwise set forth on Schedule 4.6(b). Except as set forth on Schedule 4.6(c), no capital expenditures relating to personal property (excluding only normal maintenance repairs made consistently with past practice and which are required to be expensed for federal income tax purposes) or remediations suggested or required by any applicable governmental, administrative or regulatory authority or insurer, in the next twelve (12) months in an amount exceeding \$10,000 in the aggregate, are necessary to carry on the Business as it is presently conducted, nor are any such expenditures planned.

4.7 Insurance Claims. Any and all insurance claims against the Seller relating to the Purchased Assets are fully satisfied or are being defended by an insurance carrier and involve no exposure to the Seller.

4.8 Licenses. The Seller possesses all governmental, regulatory, administrative and non-governmental licenses, permits, approvals, certifications, accreditation and other authorizations (including, without limitation, occupancy permits for real estate and permits required pursuant to Environmental Law as defined in Section 4.12) (collectively, the "Licenses") as are necessary for the consummation of the transactions contemplated hereby or the conduct of its business or operations. Schedule 4.8 sets forth a list of all of the Licenses and true and complete copies of each written document evidencing or affecting any of the Licenses have been previously delivered to Buyer. The Seller is in compliance with the terms and conditions of all of the Licenses. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will result in the revocation, or an adverse change in the terms or conditions, of any of the Licenses, and all Licenses shall continue in full force and effect in accordance with their present terms unaffected by the consummation of the transactions contemplated hereby.

4.9 Material Contracts and Other Descriptions and Lists. Schedule 4.9 attached hereto identifies and briefly describes the following:

(a) Owned Personal Property. All items of personal property owned by the Seller which have a book value or estimated current market value in excess of \$5,000;

(b) Certain Agreements. A list of the following described types of agreements or documents: (i) dealership, distributorship, sales representative or similar agreements; (ii) license, royalty or similar agreements; (iii) service or maintenance; (iv) protective services or security; (v) railroad track or spur track; and (vi) commission or other contingent agreements pursuant to which the Seller's obligation to make payments is in excess of \$10,000 per year, or pursuant to which the Seller's obligation to make contingent payments is dependent upon sales, revenues, income, success or other performance standard;

(c) Other Financial Obligations. A list of any other written or oral agreements or commitment which requires the Seller to pay or expend, after the Closing, more than \$5,000 in any single instance or \$25,000 in the aggregate of all such instances with the same or related parties;

(d) Loans and Borrowing Agreements. A list of each written or oral loan, credit or borrowing arrangement or agreement, or agreement by which the Seller has guaranteed or otherwise became liable or contingently liable for the debt of another;

(e) Capital Expenditures. A list of all outstanding written or oral commitments by the Seller to make a capital expenditure, capital addition or capital improvement;

(f) Non-Compete Covenants. A list of any written or oral covenants not to compete, non-solicitation covenants and non-disclosure covenants in favor of the Seller, or binding upon or against the Seller;

(g) Powers of Attorney. The names of all persons holding powers of attorney from the Seller and a summary statement of the terms thereof;

(h) Bonds. A list of performance, bid or completion bonds, or letters of credit;

(i) Leases. All leases of real or personal property;

(j) Insurance Policies. Product liability insurance policies currently in force; and

(k) Non-Ordinary Course Agreements. A list and description of any contract, agreement or arrangement binding upon the Seller and which was made or entered into other than in the ordinary course of the Business.

4.10 Litigation. Except as set forth on Schedule 4.10 attached hereto, there is no litigation, claim, proceeding or investigation pending, or, to the knowledge of the Seller or Controlling Shareholders, threatened against or relating to the Seller, its properties or Business, or the transactions contemplated herein.

4.11 Compliance With Law. To the best of Seller's and Controlling Shareholders' knowledge, the conduct of the Business does not violate, nor is the Seller in default under, any law, statute, ordinance, rule, regulation, code, license, permit, guideline, order, arbitration award, judgment or decree, and Buyer will not after the Closing incur any liability or obligation as a result of any such violation or default existing at the Closing or arising or accruing thereafter but based upon conditions extant at the Closing. Except as set forth on Schedule 4.11 attached hereto, no expenditures are anticipated which are necessary or appropriate for the continuation of the Business in compliance with any such law, statute, rule, regulation, code, license, permit, guidelines, order, arbitration award, judgment or decree, other than the ordinary course of Business.

4.12 Environmental Concerns. Except as described in Schedule 4.12 attached hereto, Seller is and has been in compliance in all material respects with all applicable environmental, health, safety and noise pollution laws and regulations and with all laws and regulations regarding the generation, production, storage, treatment, labeling, transportation or disposition of wastes, infectious, hazardous or other wastes, or toxic substances ("Environmental Laws"). Seller has timely filed all reports and notices required to be filed by it and has obtained all, if any, required approvals and permits and has generated and maintained all required data, documentation and records under any such applicable laws or regulations. Except as described in Schedule 4.12, the Seller has not, nor has any other person or entity, caused or permitted hazardous substances to be stored, discharged or released, deposited, treated, recycled, leaked, spilled or disposed of on, under or at any real estate occupied by the Seller, which storage, discharge or release, deposit, treatment, recycling, leakage, spillage or disposition violates any Environmental Laws. The real estate occupied by the Seller contains no urea-formaldehyde, asbestos or asbestos by-products, and there are no storage tanks, vessels or other facilities on, under or at any Real Estate occupied by Seller which contain or previously contained materials which, if known to be present, would require cleanup, removal or other remedial action under Environmental Laws.

4.13 Taxes. Schedule 4.13 lists the dates as of and for which the federal and state corporate tax returns of the Seller were audited and closed. There is no tax audit or examination now pending or, to the Seller's and the Controlling Shareholders' knowledge, threatened with respect to the Seller. No correspondence has been received by the Seller from any state taxing authority requesting information concerning the extent of the Seller's nexus with such state or asserting that the Seller has such nexus so as to impose such state's taxing jurisdiction to the Seller. All taxes and assessments which the Seller was or is required by law to withhold or collect have been and are being withheld or collected by it and have been paid over to the proper governmental authorities or, if not yet due, are being held by the Seller for such payment. All such taxes and assessments which are not yet due will be paid as they become due.

4.14 Labor Contracts. Except as set forth on Schedule 4.14, the Seller is not a party to any collective bargaining agreement or bound to any other agreement with a labor union. The labor relations of the Seller are satisfactory in that there has not been within the preceding two fiscal years of the Seller and the current fiscal year, nor is there currently, any strike, walkout or work stoppage;

nor, to the Seller's and the Controlling Shareholders' knowledge, is any such action threatened. There are no proceedings pending for certification or representation before the National Labor Relations Board nor, to the Seller's and the Controlling Shareholders' knowledge, has there been any attempt within the preceding two (2) fiscal years or the current fiscal year to organize the employees of the Seller into a collective bargaining unit. There is no investigation pending, nor is there any uncorrected or unresolved citation, complaint or charge issued, by any agency responsible for administering or enforcing laws relating to labor relations, employee safety or health, fair labor standards and equal employment opportunity nor, to the best knowledge of the Seller and the Controlling Shareholders, is any such proceeding threatened.

4.15 Intellectual Property. Schedule 4.15(a) attached hereto lists (or, in the case of trade secrets and secret processes, generally describes) all of the following which are owned by the Seller or used or intended to be used by the Seller in the Business: (a) patents and patent applications, (b) trademarks, trade names, service marks and registrations and applications for registrations thereof (including, but not limited to, "World of Plastics"), (c) copyrights and copyright registrations, and (d) trade secrets and secret processes (the "Intellectual Property"). Schedule 4.15(a) lists for each item of Intellectual Property owned by the Seller and which is patented or registered with the United States or any foreign or state agency or office, the patent or registration number thereof, the date of patent issuance or registration and the agency or office where so patented or registered. The Intellectual Property is all of the intellectual property that is used in or necessary for the conduct of the Business, as presently conducted. Except as otherwise described on Schedule 4.15(b), the Seller is the sole owner of all right, title and interest in the Intellectual Property. With respect to any Intellectual Property which is not owned by the Seller, the Seller has valid, binding and enforceable rights to use such Intellectual Property. There are no interference, opposition or cancellation proceedings pending or, to the knowledge of the Seller and the Controlling Shareholders, threatened against the Seller or the Intellectual Property. The use of the Intellectual Property does not infringe upon the rights of any third party. No claim, suit or action is pending or, to the Seller's and the Controlling Shareholders' knowledge, threatened alleging that the Seller is infringing upon the intellectual property rights of others. Except as set forth on the Schedule 4.15(c), the Seller has not licensed or permitted any third party to use any of the Intellectual Property.

4.16 Employee Benefit Plans. Schedule 4.16 sets forth a true and complete list and brief description of each "employee pension benefit plan" (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), "employee welfare benefit plan" (as defined in Section 3(1) of ERISA) and other employee benefit plans (including without limitation, those providing any bonus, deferred compensation, excess benefits, profit sharing, pension, thrift, savings, employee stock ownership, salary continuation, severance, retirement, supplemental retirement, short- or long-term disability, dental, vision care, hospitalization, major medical, life insurance, accident insurance, vacation, holiday and/or sick leave pay, tuition reimbursement, executive perquisite or other employee benefits) maintained, or contributed to, or required to be contributed to, by the Seller for the benefit of any officers or employees, current or former, active or inactive, of the Seller, whether on an active or frozen basis (all the foregoing being herein called

"Benefit Plans"). The Seller does not have any formal plan or commitment to create any additional plan or modify or change any existing Benefit Plan that would affect any employee or former employee of the Seller, except as required by applicable law, including the Tax Reform Act of 1986, as amended.

4.17 Products Liability. Except as otherwise set forth on Schedule 4.17: (i) there exists no (a) latent defect in the design or manufacture of any of the Seller's products or (b) pending or, to the knowledge of the Seller and the Controlling Shareholders, threatened action, suit, inquiry, proceeding or investigation by or before any court or governmental or regulatory or administrative agency or commission relating to any product alleged to have been manufactured, distributed or sold by the Seller to others, and alleged to have been defective or improperly designed or manufactured or in breach of any express or implied product warranty ("Products Liability"); (ii) there exists no pending or, to the knowledge of the Seller and the Controlling Shareholders, threatened Products Liability claims; and (iii) there is no valid basis for any such suit, inquiry, action, proceeding, investigation or claim.

4.18 Performance of Contracts, Etc. To the best of Seller's and Controlling Shareholders' knowledge, the Seller is not in default under, nor has it breached any provision of, any contract, agreement, instrument, document, lease, insurance policy or other obligation of the Seller, and there is no material oral modification or past practice inconsistent with the written terms of any of the foregoing. All of such contracts, agreements, instruments, documents, leases, policies and other obligations are currently in full force and effect. To the knowledge of the Seller and the Controlling Shareholders, the other parties to such contracts, agreements, instruments, documents, leases, policies and other obligations have complied with their obligations thereunder and are not in breach thereof. The Seller fully has performed each such term, condition and covenant of each such contract, agreement, instrument, document, lease, policy or other obligation required to be performed on or prior to the date hereof. The Seller and the Controlling Shareholders know of no state of facts which, with the giving of notice or the passing of time, or both, would give rise to any default under any such contract, agreement, instrument, document, lease, policy or other obligation.

4.19 Changes in Financial Position. Since the date of the Latest Balance Sheet, the Business has been conducted in the ordinary course thereof and consistent with past practice, and except as described on Schedule 4.19 attached hereto, there has not been:

(a) Financial Conditions. Any material and adverse change in the Business, assets, condition (financial or otherwise) or prospects of the Seller;

(b) Business or Property Damage. Any material damage, destruction or loss (whether or not covered by insurance) adversely affecting the Business, properties or prospects of the Seller; or

(c) Extraordinary Events. Any transaction outside the ordinary course of business of the Seller.

4.20 Events Subsequent to Latest Balance Sheet. The Seller has not, except as described on Schedule 4.20 attached hereto, since the date of the Latest Balance Sheet:

(a) Incurred Liabilities. Incurred any obligation or liability (absolute, contingent, accrued or otherwise), or guaranteed or become a surety of any debt, except in connection with the performance of this Agreement or in the ordinary course of business;

(b) Discharged Debt. Discharged or satisfied any lien or encumbrance, or paid or satisfied any obligation or liability (absolute, contingent, accrued or otherwise) other than liabilities shown or reflected on the Latest Balance Sheet or liabilities incurred since the date thereof in the ordinary course of business;

(c) Reserves. Increased or established any reserve for taxes or bad accounts or any other liability on its books or otherwise provided therefor;

(d) Encumbrances. Mortgaged, pledged or subjected to any lien, charge, security interest or other encumbrance any of the Seller's assets, tangible or intangible;

(e) Disposition of Assets. Sold or transferred any of its assets, or canceled any debts or claims or waived any rights, except sales of inventory in the ordinary course of business;

(f) Dividends. Made any declaration, setting aside or payment to the Controlling Shareholders or any shareholder of the Seller of any dividend or redemption or other distribution with respect to the Seller's capital stock, or agreed to take any such action;

(g) Stock Issuance. Issued any stock, bonds, debentures, options, warrants or other corporate securities;

(h) Sale of Business. Entered into any negotiations or contract for the sale of the Business, or any part thereof or for the purchase of another business, whether by merger, consolidation, exchange of capital stock or otherwise (other than negotiations with respect to this Agreement);

(i) Increase Compensation. Increased or promised to increase the compensation or fringe benefits of the Controlling Shareholders or any shareholder of the Seller, officer or director, or instituted any general wage increase applicable to employees, or any specified sub-group of employees;

(j) Accounting Procedure. Changed or modified its accounting methods or practices;

(k) Capital Expenditure. Purchased or made a commitment for the purchase of capital assets in an amount exceeding \$10,000; or

(l) Settle Litigation. Settled, or agreed to settle, any litigation, arbitration or other proceeding, pending or threatened, except with regard to those matters shown on Schedule 4.20(l).

4.21 Brokerage. Neither the Controlling Shareholders nor the Seller has incurred, or made commitments for, any brokerage, finders' or similar fee in connection with the transaction contemplated by this Agreement.

4.22 Assessments for Utilities. Except as otherwise set forth on Schedule 4.22 attached hereto, Seller has not received notice, nor anticipates receiving notice of any special utility assessment, including but not limited to sewer or water assessments.

4.23 Representations and Warranties True and Correct. The representations and warranties contained herein, and all other documents, certifications, materials and written statements or written information given to the Buyer by or on behalf of the Seller or Controlling Shareholders or disclosed on any Schedule attached hereto, do not include any untrue statement of a material fact or omit to state a material fact required to be stated herein or therein in order to make the statements herein or therein, in light of the circumstances under which they are made, not misleading.

4.24 No Unusual Matters. Except as set forth on Schedule 4.23 attached hereto, the Seller and the Controlling Shareholders know of no matter of an unusual nature which is applicable specifically to the Seller or the industry in which the Seller engages and which has or may have a materially adverse effect upon the Seller, its condition (financial or otherwise) or business prospects.

ARTICLE V

REPRESENTATIONS OF THE BUYER

In order to induce the Seller to enter into this Agreement, the Buyer makes the following representations and warranties to the Seller, each of which shall be deemed to be independently material and relied upon by the Seller, regardless of any investigation made by, or information known to, the Seller.

5.1 Organization. The Buyer is a corporation duly organized and validly existing under the laws of the State of Wisconsin.

5.2 Enforceability, Conflicting Obligations. This Agreement and all other agreements of the Buyer contemplated hereby are or, coupon the execution thereof, will be the valid and binding obligations of the Buyer enforceable against it in accordance with their terms. The execution and delivery of this Agreement do not, and the consummation of the purchase of the Purchased Assets will not, conflict with or violate any provision of the articles of incorporation or bylaws of the Buyer, nor any provisions of, or result in the acceleration of, any obligation of the Buyer.

5.3 Authorization. The Buyer has all necessary power and authority to enter into and perform the transactions contemplated herein in accordance with the terms and conditions hereof. The execution and delivery of this Agreement, and the performance by the Buyer of its obligations contained herein, have been duly approved by the Buyer's Board of Directors.

ARTICLE VI

COVENANTS OF THE SELLER AND THE CONTROLLING SHAREHOLDERS

The Seller and the Controlling Shareholders covenant and agree with the Buyer as follows:

6.1 Access. From the date hereof and until the Closing Date, the Buyer and its authorized officers, agents and representatives shall have reasonable access during normal business hours to all properties, books, records, contracts, tax returns and documents of the Seller.

6.2 Operation of Business. From the date hereof and until the Closing Date, without the express prior written consent of the Buyer, the Seller shall not:

(a) Increase Compensation. Grant or promise any increase in compensation to any shareholder, officer or director, or any general increase in the rate of compensation of its non-shareholder employees, or any sub-group of employees, nor, by means of any bonus, profit-sharing, incentive compensation payment, pension, retirement, medical hospitalization, life insurance or other insurance plan or plans, or otherwise, increase in any amount the benefits or compensation of any such employees, directors or officers, except, however, ordinary merit increases not unusual in character or amount made in the ordinary course of business and consistent with past practice to employees who are not shareholders;

(b) Employment and Labor Contracts. Enter into, amend, renew or extend any employment contract or collective bargaining agreements;

(c) Disposition of Assets. Sell or dispose of any asset (other than inventory in the ordinary course of business) having a book value or current estimated market value in excess of \$5,000, or encumber, mortgage or pledge any of its assets whatsoever;

(d) Capital Expenditures. Make any capital expenditures, or enter into any lease of capital equipment or real estate, involving an amount in excess of \$5,000 to any one person;

(e) Contracts. Enter into any other contract with any other person involving total payments or expenditures to any single person of more than \$5,000 on any single contract, or which is not entered into in the ordinary course of business;

(f) Create or Incur Indebtedness. Enter into any transaction, or create, assume, incur or guarantee any indebtedness, other than entered into or incurred pursuant to existing contracts and disclosed on Schedule 6.2(f) attached hereto (and not in excess of the amount disclosed thereon);

(g) Discharge Debt. Discharge or satisfy any lien or encumbrance, or pay or satisfy any obligation or liability (absolute, contingent, accrued or otherwise) other than (i) in the ordinary course of business and consistent with past practice, or (ii) that discharged, paid or satisfied pursuant to liens, obligations or liabilities disclosed on the Latest Balance Sheet or Schedule 6.2(g) attached hereto (and not in excess of the amount disclosed thereon);

(h) Accounting Procedures. Change any accounting procedures or practices or its financial structure; or

(i) Breach of Contract. Perform any act, or attempt to do any act, or permit any act or omission to act, which will cause a breach of any contract, agreement, instrument, document, lease, license, permit, indenture or other obligation to which the Seller is a party or to which it is bound.

6.3 Preservation of Business. From the date hereof and until the Closing Date, the Seller and the Controlling Shareholders shall carry on the Business diligently and substantially in the ordinary course of business consistent with past practice and shall use their best efforts to keep the Seller's business organization intact. The Seller shall maintain at all times in inventory quantities of raw materials, finished goods, spare parts and other supplies and materials consistent with past practice.

6.4 Insurance and Maintenance of Property. From the date hereof and until the Closing Date, the Seller shall cause all property owned or leased by it to be insured against all ordinary insurable risks and shall maintain in effect all the Insurance, and shall operate, maintain and repair all of its property in a manner consistent with past practice.

6.5 Compliance with Laws. From the date hereof and until the Closing Date, the Seller shall comply with all applicable laws, statutes, ordinances, rules, regulations, guidelines, orders, arbitration awards, judgments and decrees applicable to, or binding upon, the Seller or its business or properties.

6.6 Title Insurance. At least thirty (30) days prior to the Closing, the Seller shall obtain an ALTA commitment (the "Commitment") to issue a Form B 1982 (Rev. 10-19-88) owner's policy on all Owned Real Estate. Such Commitment shall be issued by American Pioneer Title Insurance Company (the "Title Company"); be in the amount of \$1,000,000; name the Buyer and/or its lenders as the proposed insured; contain no exceptions except for the Permitted Encumbrances and standard exceptions to be deleted by endorsement at or prior to the Closing; and have an effective date not earlier than the date of this Agreement. The Commitment shall include the following endorsements at the Seller's cost and in form and substance reasonably satisfactory to the Buyer: an access endorsement ensuring that all of the real estate has access to a publicly dedicated and public street; and ALTA form 3.1 zoning endorsement ensuring that the real estate is zoned for its present uses; an ALTA form of comprehensive endorsement; and such other endorsements as the Buyer may reasonably request after its review of the Commitment. Included with the Commitment shall be complete and legible copies of all documents referenced therein. At the Closing, the Seller shall provide to the Buyer all endorsements and amendments as may be required to delete all exceptions to title (including standard exceptions, but excluding Permitted Encumbrances) and extend the effective date of the Commitment to a date as close to the Closing Date as may be practical, and shall cause the Title Company to ensure over any gap risk. At or prior to the Closing, the Seller shall pay the cost of the premium for the title insurance policy, charges for special assessment and other reports ordered in connection therewith, all amendments and endorsements of the Commitment and gap coverage.

6.7 Survey. At least (30) days prior to Closing, the Seller shall cause to have delivered to the Buyer a survey of the Owned Real Estate prepared by a civil engineer or licensed surveyor. The survey shall meet the Minimum Standard Detail Requirements for a Class A Urban ALTA/ACSM Land Title survey, as most recently jointly adopted by ALTA/ACSM. Such survey shall set forth a legal description of all Owned Real Estate, which shall be the same as the legal description set forth in the Commitment, shall delineate the boundaries of all of such real estate, showing all adjoining rights of way, water courses, drains, sewers, streets and roads, exits and entrances, utilities, building and structure locations and dimensions, fences, set-back lines, restrictions, encroachments, rights of way, easements and other similar matters and setting forth the exact acreage with courses and distances so as to permit a description of the real estate and of any other items noted on the survey and shall contain a certification that the survey correctly shows the location of all buildings, structures and other improvements, including foundations and buildings in course of construction, situated on the real property, and that, except as shown, there are no visible easements or rights of way across the real estate, no visible encroachments on the real estate by improvements on adjoining premises and no visible encroachments by improvements on the real estate on adjoining premises. The survey shall be in such form and content as shall permit the Title Company to eliminate all exceptions in the Commitment and the policy and title insurance issued pursuant thereto which relate to matters of survey. The survey shall be certified to the Buyer and the Title Company. The cost of the survey shall be shared equally by Buyer and Seller.

6.8 Supplemental Disclosure. On the Closing Date, the Seller and the Controlling Shareholders shall inform the Buyer in writing of all information, events or actions which, if this Agreement were signed on the Closing Date, would be required to be disclosed on any Schedule attached hereto in order to make the Seller's and the Controlling Shareholders representations and warranties contained herein true and not misleading. The delivery thereof by the Seller and the Controlling Shareholders shall not absolve the Seller or the Controlling Shareholders from liability for breach of any representation or warranty which was untrue when made.

6.9 Fulfill Conditions. The Seller and the Controlling Shareholders shall use their best efforts to cause to be fulfilled on or prior to the Closing each of the conditions set forth in Article VIII hereof.

6.10 Release of Security Interests. The Seller shall on or prior to the Closing Date deliver to the Buyer such documents as are necessary to terminate and release all security interests and other encumbrances listed on Schedules attached hereto with reference to Sections 4.5 and 4.6 hereof, which documents shall be in form and substance acceptable to the Buyer and shall include without limitation, all documents necessary to terminate of record any such security interest or encumbrance.

6.11 Change of Corporate Name. The Seller and the Controlling Shareholders agree to take all action that is necessary to authorize the amendment of the Seller's articles of incorporation to change the corporate name of the Seller to a name which does not include the words "World" or "Plastics" and to dissolve the Seller within one (1) year of the Closing Date. The name World of Plastics is part of the Purchased Assets. Seller may continue to use its current name during its dissolution with the understanding the Buyer intends to change its name to "World of Plastics" at Closing.

6.12 Documents of Transfer. On the Closing Date, the Seller shall duly execute and deliver to the Buyer an Assignment and Bill of Sale in form and substance as Exhibit 6.12(a) attached hereto, and a Warranty Deed in form and substance as Exhibit 6.12(b) attached hereto. The transfer fee shall be paid by the Seller at the Closing. In addition, the Seller shall execute and deliver to the Buyer at the Closing, in form and substance reasonably satisfactory to counsel for the Buyer, assignments assigning to the Buyer all assignable licenses and permits necessary to own or operate the Purchased Assets.

6.13 Consulting and Noncompetition Agreements. On the Closing Date, David Stuart shall execute and deliver to the Buyer a three-year consulting agreement in exchange for a fee of \$350,000, paid in cash at the closing, in the form attached hereto as Exhibit 6.13(a) (the "Consulting Agreement"), and a five-year noncompetition agreement in the form attached hereto as Exhibit 6.13(b) (the "Noncompetition Agreement") in exchange for a total fee of \$500,000, paid to extent of \$300,000 in cash at the closing, and a \$200,000 promissory note with interest at the average yield of a five-year Treasury Bond as of the Closing Date as mutually agreed upon by Buyer and

Seller. The principal of the promissory note shall be paid to the extent of \$40,000 on each anniversary of the Closing Date along with interest to such date.

6.14 Other Deliveries. On the Closing Date, the Seller shall deliver to the Buyer the following:

(a) The resolution of the Seller's Controlling Shareholders and Board of Directors authorizing and approving the execution, delivery and performance of this Agreement and the transactions contemplated hereby, certified by the secretary or the president of the Seller;

(b) Current Uniform Commercial Code and state, local and federal tax, sales and unemployment compensation tax, judgment, bankruptcy and similar lien searches showing no liens, security interests, claims or judgments against the assets of the Seller, other than as set forth on Schedule 6.14(b) attached hereto;

(c) All consents for the assignment of material Contracts and Licenses, which are necessary in order for said Contracts and Licenses to be assigned to the Buyer upon their present terms (each such material Contract and License is identified as such on the schedules hereto) and the Seller shall pay all fees, charges and other costs that are required or imposed in connection with obtaining any such consent;

(d) An affidavit that the Seller is not a "foreign person" within the meaning of Section 1445 of the Code, and stating the Seller's federal taxpayer identification number, in form and substance acceptable to counsel for the Buyer; and

(e) All other documents reasonably requested by counsel for the Buyer to consummate the transactions herein contemplated.

6.15 Compliance with Environmental Investigation/Disclosure Laws. At least twenty (20) days prior to the Closing Date, the Seller shall perform and prepare such inspections and reports and shall deliver and file the same as required under any applicable environmental investigation and/or disclosure laws.

6.16 Transfer Taxes. The Seller shall pay all sales and other transfer taxes, resulting from the transactions contemplated by this Agreement.

6.17 Utility Assessments. Seller shall pay all special utility assessments, including but not limited to sewer or water assessments, of which Seller has received notice or anticipates receiving notice as of the Closing Date.

6.18 Payout of Purchase Price. All shareholders of the Seller shall be paid their respective share of the Purchase Price in accordance with Delaware law.

ARTICLE VII

COVENANTS OF THE BUYER

The Buyer covenants and agrees with the Seller as follows:

7.1 Certified Resolutions. On the Closing Date, the Buyer shall deliver to the Seller a copy of the resolutions of the Buyer's Board of Directors, authorizing and approving the execution of this Agreement and the performance by the Buyer of the transactions contemplated hereby, certified by the secretary or the president of the Buyer.

ARTICLE VIII

CONDITIONS OF BUYER'S OBLIGATION TO CLOSE

The obligation of the Buyer to consummate the transactions contemplated by this Agreement shall be subject to the satisfaction and fulfillment, prior to and on the Closing Date, of the following express conditions precedent:

8.1 Representation and Warranties. The representations and warranties in this Agreement made by the Controlling Shareholders and the Seller shall be true and correct in all respects as of and at the Closing Date with the same force and effect as though said representations and warranties had been again made on the Closing Date, and the Buyer shall have been furnished a certificate signed by the Controlling Shareholders and by the president of the Seller to that effect.

8.2 Performance of Covenants and Obligations. The Controlling Shareholders and the Seller shall have performed and complied with all of their covenants and obligations under this Agreement which are to be performed or complied with by them prior to or on the Closing Date, and the Buyer shall have been furnished a certificate signed by the Controlling Shareholders and the president of the Seller to that effect.

8.3 Proceedings and Instruments Satisfactory. All proceedings, corporate or otherwise, to be taken in connection with the transactions contemplated by this Agreement, and all documents incident thereto, shall be satisfactory in form and substance to the Buyer; and, the Seller shall have made available to the Buyer for examination the originals or true and correct copies of all documents which the Buyer reasonably may request in connection with the transaction contemplated by this Agreement.

8.4 Adverse Change. From and after the date of this Agreement and until the Closing Date, the Buyer (in its sole and absolute discretion) shall have determined that there has been no material adverse change in the Business, the Purchased Assets, or the Business prospects from that disclosed to the Buyer in this Agreement or any Schedule attached hereto, nor shall there have been any material casualty to the Purchased Assets, in an amount exceeding \$10,000, as a result of any loss, taking, destruction or physical damage, whether or not covered by insurance.

8.5 No Litigation. No investigation, suit, action or other proceeding shall be threatened or pending before any court or governmental agency in which it is sought to restrain, prohibit or obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, other than those disclosed on Schedule 8.5 attached hereto.

8.6 Consents, Approvals, Certifications, Licenses and Permits. All necessary consents, approvals, certifications, licenses and permits with respect to the transaction contemplated hereby, including, without limitation, the transfer of the Purchased Assets to the Buyer, the absence of which would have a material and adverse effect on the Buyer's rights under this Agreement, or which would constitute a breach pursuant to the provision of, or which would result in the termination or loss of any right under, any contract, agreement, instrument, document, lease, license, certification, permit, indenture or other obligation, or without which the Buyer would be precluded or materially impeded from conducting the Business or obtaining the benefit of the Purchased Assets, shall have been received by the Buyer on or before the Closing Date.

8.7 Good Standing Certificates. The Seller shall have delivered to the Buyer current certificates of good standing relative to the Seller and the Subsidiaries recently certified by the Secretary of State of each state or jurisdiction in which the Seller is organized or qualified.

8.8 Due Diligence. The Buyer shall have conducted a due diligence investigation and review of the Purchased Assets, the Business and all matters pertaining thereto that the Buyer deems relevant and the results of such investigation and review shall be satisfactory to the Buyer in its sole discretion.

8.9 Opinion of Counsel. On the Closing Date, the Seller and the Controlling Shareholders shall have delivered to the Buyer the legal opinion of Melville & Sowerby, P.A., the Seller's and the Controlling Shareholders' counsel, in substantially the form of Exhibit 8.9 attached hereto.

8.10 Environmental Assessment. The Buyer shall have received an environmental site assessment report acceptable to the Buyer from an independent environmental consultant selected by the Buyer and paid for at Buyer's expense.

8.11 Building Inspection. The Buyer shall have received an inspection report on the condition of the Owned Real Estate, from an inspector, contractor or engineer of the Buyer's choice,

which indicates no defects, deferred maintenance or similar conditions affecting the use of the Owned Real Estate which, in the aggregate, would cost in excess of \$10,000 to remedy, in the opinion of such inspector, contractor or engineer, which report shall be paid for at Buyer's expense.

8.12 Lease and Option to Buy Seven Acre Parcel. If the Controlling Shareholders purchase that certain seven acre parcel of property by the Closing, the legal description of which is attached hereto as Exhibit 8.12(a) (the "Seven Acre Parcel"), the Buyer shall have the option to lease the Seven Acre Parcel on the terms of the lease attached hereto as Exhibit 8.12(b), with the additional option to purchase the Seven Acre Parcel from the Controlling Shareholders at the price paid by the Controlling Shareholders to purchase such Seven Acre Parcel, together with the costs incurred to effect that closing and the costs of any clearing or improvements to that Seven Acre Parcel.

ARTICLE IX

CONDITIONS TO SELLER'S OBLIGATION TO CLOSE

The obligation of the Seller to consummate the transactions contemplated by this Agreement shall be subject to the satisfaction and fulfillment, prior to and on the Closing Date, of the following express conditions precedent:

9.1 Representations and Warranties. The representations and warranties in this Agreement made by the Buyer shall be true and correct in all material respects as of and at the Closing Date with the same force and effect as though said representations and warranties had been again made on the Closing Date, and the Seller shall have been furnished a certificate signed by the president of the Buyer to that effect.

9.2 Performance of Covenants and Obligations. The Buyer shall have performed and complied with all of its covenants and obligations under this Agreement, in all material respects, which are to be performed or complied with by it prior to or on the Closing Date, and the Seller shall have been furnished a certificate signed by the president of the Buyer to that effect.

9.3 Proceedings and Instruments Satisfactory. All proceedings, corporate or otherwise, to be taken in connection with the transactions contemplated by this Agreement, and all documents incident thereto, shall be reasonably satisfactory in form and substance to the Seller.

9.4 Opinion of Counsel. On the Closing Date, the Buyer shall have delivered to the Seller and Controlling Shareholders the legal opinion of Michael, Best & Friedrich, the Buyer's counsel, in substantially the form of Exhibit 9.4 attached hereto.

ARTICLE X

INDEMNIFICATION BY SELLER AND CONTROLLING SHAREHOLDERS

10.1 Indemnification. Notwithstanding the Closing, and regardless of any investigation made by, or on behalf of, the Buyer, or any information known to the Buyer, the Seller and the Controlling Shareholders (collectively, the "Indemnitors"), subject to the terms and conditions of this Article X, jointly and severally, indemnify and save the Buyer, its shareholders, officers, directors or employees (collectively, the "Buyer" as used in this Article X) harmless from and against any and all losses, claims, damages, liabilities, costs, expenses or deficiencies including, but not limited to, reasonable attorneys' fees and other costs and expenses reasonably incident to proceedings or investigations or the defense or settlement of any claim or claims, incurred by or asserted against the Buyer or the Purchased Assets due to or resulting from any of the following: (i) the inaccuracy or breach of any representation or warranty of the Seller or the Controlling Shareholders given in or pursuant to this Agreement; (ii) any breach or default in the performance by the Seller or the Controlling Shareholders of any of their covenants, obligations or agreements in or pursuant to this Agreement; (iii) any liability or obligation of the Seller not expressly assumed by the Buyer pursuant to this Agreement; and (iv) the ownership or conduct of the Business or the ownership or use of the Seller's assets at any time prior to the Closing, or any incident, occurrence, condition or claim existing, arising or accruing prior to the Closing and relating to the operation or conduct of the Business or the ownership or use of the Seller's assets other than any liability or obligation of the Seller expressly assumed by the Buyer pursuant to this Agreement. The foregoing are collectively referred to as "Indemnifiable Damages." The term "Indemnifiable Damages" shall also include an amount of interest on the amount of such Indemnifiable Damages (computed before the application of this sentence), which interest shall be computed at the rate of eight percent (8%) simple interest per annum from the date such Indemnifiable Damages were incurred by the Buyer and until paid by the Indemnitors.

10.2 Limitations on Indemnifiable Damages. The Buyer shall not be entitled to recover Indemnifiable Damages for any matter described in Section 10.1(i) hereof unless and until the aggregate of all claims for Indemnifiable Damages asserted pursuant to Section 10.1(i) hereof exceeds \$25,000 (but, if such claims exceed \$25,000 in the aggregate, the Buyer shall be entitled to recover from the first dollar).

10.3 Procedures for Making Claims. If and when the Buyer desires to assert a claim for Indemnifiable Damages against the Indemnitors pursuant to the provisions of this Article X, the Buyer shall deliver to the Indemnitors, reasonably promptly after the Buyer's receipt of a claim or specific and affirmative awareness of a potential claim, a certificate signed by its president (the "Notice of Claim"): (i) stating that the Buyer has paid or accrued (or intends to pay or accrue) Indemnifiable Damages to which it is entitled to indemnification pursuant to this Article X and the amount thereof (to the extent then known); and, (ii) specifying to the extent possible (A) the individual items of loss,

damage, liability, cost, expense or deficiency included in the amount so stated, (B) the date each such item was or will be paid or accrued and (C) the basis upon which Indemnifiable Damages are claimed. If the Indemnitors shall object to such Notice of Claim, the Indemnitors shall simultaneously deliver written notice of objection (the "Notice of Objection") to the Buyer within fifteen (15) days after the Buyer's delivery of the Notice of Claim. The Notice of Objection shall set forth the grounds upon which the objection is based and state whether the Indemnitors object to all or only a portion of the matter described in the Notice of Claim. If the Notice of Objection shall not have been so delivered within such fifteen (15) day period, all Indemnitors shall be conclusively deemed to have acknowledged the correctness of the claim or claims specified in the Notice of Claim for the full amount thereof, and the Indemnitors shall thereupon pay to the Buyer, on demand, in cash, an amount equal to such claim. If the Indemnitors shall make timely objection to a claim or claims set forth in any Notice of Claim, and if such claim or claims shall not have been resolved or compromised within sixty (60) days from the date of delivery of the Notice of Objection, then such claims shall be settled by arbitration pursuant to Section 12.5 hereof. The arbitrator shall promptly obtain such information regarding the matter the arbitrator deems necessary and shall decide the matter and render a written award which shall be delivered to the Buyer and the Indemnitors. Any award shall be a conclusive determination of the matter and shall be binding upon the Buyer and the Indemnitors. If, by arbitration, it shall be determined that the Buyer shall be entitled to any Indemnifiable Damages by reason of its claim or claims, the Indemnifiable Damages so determined shall be paid to the Buyer by the Indemnitors in the same manner as if the Indemnitors had not delivered a Notice of Objection.

10.4 Survival of Representations and Indemnification. The Indemnitors' obligation to pay Indemnifiable Damages arising out of claims described in Sections 10.1(ii), (iii) and (iv) hereof shall survive the Closing of this transaction indefinitely. The representations and warranties contained in Article IV hereof, and the Indemnitors' obligation to pay Indemnifiable Damages arising out of Section 10.1(i) hereof, shall survive the Closing Date, as follows:

- (a) Fraudulent Breach of Representations; Certain Representations. In the case of a claim based upon the inaccuracy or breach of a representation or warranty which was made fraudulently or with respect to any representation or warranty contained in Sections 4.2 and 4.3 hereof, indefinitely;
- (b) Taxes. In the case of a claim based upon the inaccuracy or breach of a representation or warranty pertaining to taxes, for a period equal to the applicable statute of limitations; and
- (c) All Other Claims. In the case of all other claims based upon the inaccuracy or breach of a representation or warranty, for a period commencing on the date hereof and ending two years after the Closing Date.

No claim for recovery of Indemnifiable Damages arising out of Section 10.1(i) hereof may be asserted by the Buyer after the expiration of the applicable time period described in the

foregoing Sections 10.4(a)-(c); provided, however, that any claim first asserted by the giving of a Notice of Claim within the applicable survival period shall neither be abated nor barred.

10.5 Offset. The Buyer shall be entitled to offset against obligations owed by the Buyer to any of the Indemnitors the sum of all Indemnifiable Damages that the Buyer is entitled to pursuant to Section 10.1. No offset made by the Buyer pursuant to this Section shall constitute a default under any of the Buyer's payment obligations or, even if it is subsequently determined that no Indemnifiable Damages were due the Buyer, give rise to any right on the part of any of the Indemnitors by reason of such offset.

ARTICLE XI

INDEMNIFICATION BY BUYER

11.1 Indemnification. Notwithstanding the Closing, and regardless of any investigation made by, or on behalf of, the Seller or Controlling Shareholders, or any information known to the Seller or Controlling Shareholders, the Buyer, subject to the terms and conditions of this Article XI, indemnifies and saves the Seller and the Controlling Shareholders (collectively, the "Indemnitees") harmless from and against any and all losses, claims, damages, liabilities, costs, expenses or deficiencies including, but not limited to, reasonable attorneys' fees and other costs and expenses reasonably incident to proceedings or investigations or the defense or settlement of any claim or claims, incurred by or asserted against the Indemnitees due to: (i) the inaccuracy or breach of any representation or warranty of the Buyer given in or pursuant to this Agreement; or (ii) any breach or default in the performance by the Buyer of any of its covenants, obligations or agreements in or pursuant to this Agreement. The foregoing are collectively referred to as "Indemnifiable Damages." The term "Indemnifiable Damages" shall also include an amount of interest on the amount of such Indemnifiable Damages (computed before the application of this sentence), which interest shall be computed at the rate of eight percent (8%) simple interest per annum from the date such Indemnifiable Damages were incurred by the Indemnitees and until paid.

11.2 Procedures for Making Claims. If and when the Indemnitees desire to assert a claim for Indemnifiable Damages against the Buyer pursuant to the provisions of this Article XI, the Indemnitees shall deliver to the Buyer, reasonably promptly after the Indemnitees' receipt of a claim or awareness of a potential claim, a certificate signed by the Indemnitees (the "Notice of Claim"): (i) stating that the Indemnitees have paid or accrued (or intend to pay or accrue) Indemnifiable Damages to which they are entitled to indemnification pursuant to this Article XI and the amount thereof (to the extent then known); and, (ii) specifying to the extent possible (A) the individual items of loss, damage, liability, cost, expense or deficiency included in the amount so stated, (B) the date each such item was or will be paid or accrued and (C) the basis upon which Indemnifiable Damages are claimed. If the Buyer shall object to such Notice of Claim, the Buyer shall deliver written notice of objection (the "Notice of Objection") to the Indemnitees. The Notice of Objection shall set forth

the grounds upon which the objection is based and state whether the Buyer objects to all or only a portion of the matter described in the Notice of Claim. If such claim or claims shall not have been resolved or compromised within sixty (60) days from the date of delivery of the Notice of Objection, then such claims shall be settled by arbitration pursuant to Section 12.5 hereof. The arbitrator shall promptly obtain such information regarding the matter the arbitrator deems necessary and shall decide the matter and render a written award which shall be delivered to the Buyer and the Indemnitees. Any award shall be a conclusive determination of the matter and shall be binding upon the Buyer and the Indemnitees. If, by arbitration, it shall be determined that the Indemnitees shall be entitled to any Indemnifiable Damages by reason of their claim or claims, the Indemnifiable Damages so determined shall be paid to the Indemnitees by the Buyer without the necessity of further action.

11.3 Participation in Defense of Third Party Claims. If any third party shall assert any claim against the Indemnitees which, if successful, might result in an obligation of the Buyer to pay Indemnifiable Damages, the Buyer, at the sole expense of the Buyer, may assume the primary defense thereof with counsel reasonably acceptable to the Indemnitees, but only if and so long as: (i) the Buyer diligently pursues the defense of such claim; and (ii) the Buyer acknowledges to the Indemnitees in writing that the claim, if resolved or settled adversely to the Indemnitees, is one for which the Buyer is obligated to indemnify the Indemnitees hereunder. If the Buyer fails or refuses so to elect to assume the primary defense of any such claim, the Indemnitees may (but need not) do so; in which event the Indemnitees may defend, settle or compromise the claim in any such manner as the Indemnitees deem appropriate.

11.4 Survival of Indemnification. The Buyer's obligation to pay Indemnifiable Damages arising out of claims described in Section 11.1(ii) hereof shall survive the Closing of this transaction indefinitely. The Buyer's obligation to pay Indemnifiable Damages arising out of Section 11.1(i) hereof shall survive the Closing Date, as follows:

(a) Fraudulent Breach of Representations; Certain Representations. In the case of a claim based upon the inaccuracy or breach of a representation or warranty which was made fraudulently, indefinitely;

(b) All Other Claims. In the case of all other claims based upon the inaccuracy or breach of a representation or warranty, for a period commencing on the date hereof and ending two years after the Closing Date.

No claim for recovery of Indemnifiable Damages arising out of Section 11.1(i) hereof may be asserted by the Indemnitees after the expiration of the applicable time period described in the foregoing Section 11.4(a) and (b); provided, however, that any claim first asserted by the giving of a Notice of Claim within the applicable survival period shall neither be abated nor barred.

ARTICLE XII

MISCELLANEOUS

12.1 Further Assurances. Each party hereto from time to time hereafter, and upon request, shall execute, acknowledge and deliver such other instruments as reasonably may be required to more effectively transfer and vest in the Buyer the Purchased Assets or to otherwise carry out the terms and conditions of this Agreement.

12.2 Benefit and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors, assignees, and beneficiaries in interest; provided, however, that this Agreement may not be assigned by the Seller or the Controlling Shareholders.

12.3 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Florida (regardless of such State's conflict of laws principles), and without reference to any rules of construction regarding the party responsible for the drafting hereof.

12.4 Expenses. Except as otherwise herein provided, all expenses incurred in connection with this Agreement or the transactions herein provided for shall be paid by the party incurring such expenses and costs.

12.5 Arbitration. Any controversy or claim arising out of or relating to this Agreement or the Escrow Agreement, or the breach hereof or thereof, shall be settled by a single arbitrator in arbitration conducted in Fort Pierce, Florida in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator's decision shall be final and nonappealable. Each party shall be entitled to discovery exclusively by the following means: (i) request for admission, (ii) request for production of documents, and (iii) depositions of no more than five (5) individuals. All discovery shall be completed, and the arbitration hearing shall commence within five (5) days after the appointment of the arbitrator. Unless the arbitrator finds that exceptional circumstances justify delay, the hearing will be completed, and an award rendered within ten (10) days of commencement of the hearing. The arbitrator shall have the authority to settle such controversy or claim by finding that a party should be enjoined from certain actions or be compelled to undertake certain actions, and in such event said court may enter an order enjoining and/or compelling such actions as found by that arbitrator. The arbitrator also shall make a determination regarding which party's legal position in any such controversy or claim is the more substantially correct (the "Prevailing Party") and the arbitrator shall require the other party to pay the legal and other professional fees and costs incurred by the Prevailing Party in connection with such arbitration proceeding and any necessary court action. However, notwithstanding the foregoing, the parties expressly agree that a court of competent jurisdiction may enter a temporary restraining order or an

order enjoining a breach of this Agreement pending a final award or further order by the arbitrator. Such remedy, however, shall be cumulative and nonexclusive, and shall be in addition to any other remedy to which the parties may be entitled.

12.6 Notices. Any and all notices, demands, and communications provided for herein or made hereunder shall be given in writing and shall be deemed given to a party at the earlier of (i) when actually delivered to such party, (ii) when facsimile transmitted to such party to the facsimile number indicated for such party below (or to such other facsimile number for a party as such party may have substituted by notice pursuant to this Section) or (iii) when mailed to such party by registered or certified U.S. Mail (return receipt requested) or sent by overnight courier, confirmed by receipt, and addressed to such party at the address designated below for such party (or to such other address for such party as such party may have substituted by notice pursuant to this Section):

(a) If to the Buyer: Stephen D. Scaccia
President
Freedom Plastics, Inc.
215 S. Arch Street
Janesville, WI 53547-1488
Facsimile Number: (608) 754-7583

With a copy to: Frank J. Pelisek, Esq.
Michael Best & Friedrich
100 East Wisconsin Avenue
Milwaukee, WI 53202-4108
Facsimile Number: (414) 277-0656

(b) If to the Seller and/or the Controlling Shareholders:

David Stuart
President
World of Plastics, Inc.
3206 Enterprise Road
Ft. Pierce, FL 34982

With a copy to: Harold G. Melville, Esq.
Melville & Sowerby, P.A.
2940 South 25th Street
Fort Pierce, FL 34981
Facsimile Number: (561) 464-8220

12.7 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one

and the same instrument, provided that all such counterparts, in the aggregate, shall contain the signatures of all parties hereto.

12.8 Headings. All Section headings herein are inserted for convenience only and shall not modify or affect the construction or interpretation of any provision of this Agreement.

12.9 Amendment, Modification and Waiver. This Agreement may not be modified, amended or supplemented except by mutual written agreement of all the parties hereto. Any party may waive in writing any term or condition contained in this Agreement and intended to be for its benefit; provided, however, that no waiver by any party, whether by conduct or otherwise, in any one or more instances, shall be deemed or construed as a further or continuing waiver of any such term or condition. Each amendment, modification, supplement or waiver shall be in writing signed by the party or the parties to be charged.

12.10 Entire Agreement. This Agreement, the Exhibits and Schedules attached hereto and delivered herewith represent the full and complete agreement of the parties with respect to the subject matter hereof and supersede and replace any prior understandings and agreements among the parties with respect to the subject matter hereof and no provision or document of any kind shall be included in or form a part of such agreement unless signed and delivered to the other party by the parties to be charged.

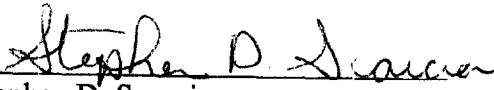
12.11 Third-Party Beneficiaries. No third parties are intended to benefit from this Agreement, and no third-party beneficiary rights shall be implied from anything contained in this Agreement.

12.12 Publicity. The Buyer and the Seller agree that no publicity announcements or disclosures of any kind concerning the terms of this Agreement or concerning the transactions contemplated hereby shall be made without the mutual consent of the Buyer and the Seller, except to the extent that disclosure is required by legal process or to accountants, counsel, other professionals and to lenders on a "need to know" basis who similarly agree to maintain the confidentiality of the Agreement and its terms.

12.13 "Knowledge". As used herein, any reference to the "knowledge" of the Seller and the Controlling Shareholders, or the like, shall include the knowledge of the Seller and the Controlling Shareholders after making reasonable inquiry and, if the Seller and the Controlling Shareholders fail to make such inquiry, shall include constructive knowledge of such facts as would have been learned had such due inquiry been made.


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

FREEDOM PLASTICS, INC.




Stephen D. Scaccia
President

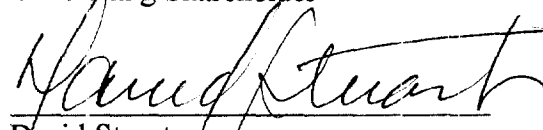
WORLD OF PLASTICS, INC.



David Stuart
President



Gloria Stuart
Controlling Shareholder



David Stuart
Controlling Shareholder



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