

Form PTO-1594
(Rev. 10/02)
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RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
ARDCO Holding Corporation

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Delaware
 Other _____

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Pettibone Corporation
Internal Address: _____
Address: _____
Street Address: 2626 Warrenville Road, Ste. 30
City: Downers Grove State: IL Zip: 60515

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State Delaware
 Other _____

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)
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: 9/20/89

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s) _____

Additional number(s) attached Yes No

B. Trademark Registration No.(s) 661,161
761,741

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: James E. Griffith, Esq.
 Internal Address: McDermott, Will & Emery

 Street Address: 227 West Monroe Street
Suite 4400
 City: Chicago State: IL Zip: 60606-5096


6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41).....\$ 65.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
13-0206

DO NOT USE THIS SPACE

9. Signature.
James E. Griffith, Esq.
 Name of Person Signing


 Signature

12/10/2003
 Date

Total number of pages including cover sheet, attachments, and document: 23

Mail documents to be recorded with required cover sheet information to:
 Commissioner of Patent & Trademarks, Box Assignments
 Washington, D.C. 20231

CH \$65.00 130206 0661161

ARDCO MERGER

ADDITIONAL NAMES OF CONVEYING PARTIES

1. **ARDCO INDUSTRIES, INC.** **Delaware Corporation**

2. **ARDCO INDUSTRIES LTD.** **Limited Liability Company**
 formed under the laws of Alberta,
 Canada

3. **ARDCO INTERNATIONAL, INC.** **Delaware Corporation**

CERTIFICATE

The undersigned officer of Pettibone Corporation, a Delaware corporation (the "Purchaser"), and the officer signing below on behalf of ARDCO Holding Corporation, a Delaware corporation, ARDCO Industries, Inc., a Delaware corporation, ARDCO Industries, Ltd., a limited liability company formed under the laws of Alberta, Canada, ARDCO International, Inc., a Delaware corporation and Louis H. Ardis (collectively, the "Sellers"), do each hereby certify as follows:

1. Attached hereto as Exhibit A is a true and correct copy of the agreement dated as of September 19, 1989 (the "Agreement"), between the Purchaser and the Sellers.

2. The conditions precedent to closing the transactions contemplated by the Agreement have been met or satisfied, and none of the Sellers' obligations under this Agreement, or any other conditions precedent to consummating said Agreement have been waived.

3. All of the transactions contemplated by said Agreement have been duly consummated.

IN WITNESS WHEREOF, the undersigned have each executed this Certificate as of this 20th day of September, 1989.

PETTIBONE CORPORATION

By: Maureen M. Wells

Title: President BHP

TRADEMARK

REEL: 002761 FRAME: 0595

ARDCO HOLDING CORPORATION

By: Joseph H. Ardis
Title: President

ARDCO INDUSTRIES, INC.

By: Joseph H. Ardis
Title: President

ARDCO INDUSTRIES, LTD.

By: Joseph H. Ardis
Title: President

ARDCO INTERNATIONAL, INC.

By: Joseph H. Ardis
Title: President

Joseph H. Ardis
LOUIS H. ARDIS

September 20, 1989

Pettibone Corporation
2700 River Road
Suite 302
Des Plaines, Illinois 60018

Gentlemen:

As an inducement to you, Pettibone Corporation ("Buyer") to enter into this agreement (this "Agreement"), and an agreement (the "Teachers Agreement") with Teachers Insurance and Annuity Association of America ("Teachers") under which you will acquire all of the outstanding secured debt and capital stock of ARDCO Holding Corporation, a Delaware corporation ("AHC") and its subsidiaries (collectively, "ARDCO") held by Teachers, AHC, ARDCO Industries, Inc., a Delaware corporation ("Industries"), ARDCO Industries, Ltd., a limited liability company formed under the laws of Alberta, Canada ("Ltd."), ARDCO International, Inc., a Delaware corporation ("International") and Louis H. Ardis ("Stockholder") in his individual capacity and as an officer and director of ARDCO, hereby jointly and severally agree with you as follows:

1. Sale of Stock. At the Closing (as defined below), the Stockholder shall sell, transfer, assign and deliver to Buyer, and Buyer shall purchase, accept and receive, all right, title and interest in and to all, but not less than all, of the issued and outstanding capital stock of AHC owned by Stockholder (the "Stock").

2. Payment. Stockholder shall receive as consideration for (i) the Stock, (ii) the severance pay due pursuant to Section 3 hereof and (iii) the non-competition agreement set forth in Section 9 hereof (the "Non-Competition Agreement"), the amounts determined pursuant to Exhibit 2 at the times specified therein.

3. Severance Payments. Stockholder is entitled to a severance payment upon termination without cause by ARDCO and the total aggregate amount of the severance payment payable to

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Stockholder is set forth on Exhibit 2. Stockholder agrees that the payments made in accordance with Exhibit 2 will completely release and discharge any obligation of ARDCO or any other person to make any severance payment to Stockholder in connection with the termination of his employment.

4. Closing. The closing of the transactions contemplated by this Agreement shall occur on September 20, 1989 (the "Closing"), at the offices of Andrews & Kurth, Texas Commerce Tower, Houston, Texas at 9:00 a.m., or at such other time and at such other place as may be mutually agreed upon by the parties.

At the Closing, all transactions shall be conducted substantially concurrently, and no transaction shall be deemed to be completed until all are completed.

5. Deliveries at Closing.

(a) Deliveries by Stockholder. At the Closing, the Stockholder shall deliver to Buyer the following:

(i) Certificate(s) evidencing all of the issued and outstanding Stock with fully executed stock power(s) executed in blank;

(ii) The resignations of all of the officers and directors of ARDCO;

(iii) A mutual release in the forms of Exhibits 5(a)(iii)(A) and 5(a)(iii)(B) signed by the officers and directors of ARDCO releasing ARDCO and its affiliates from any and all claims;

(iv) An acknowledgment from each person who at any time was a stockholder of AHC since 1986 in the form of Exhibit 5(a)(iv); and

(v) any other documents or instruments which you deem desirable to consummate the transactions contemplated by this Agreement in form satisfactory to your counsel.

(b) Deliveries by ARDCO. At the Closing, ARDCO shall deliver or cause to be delivered to Buyer the following:

(i) a cashier's check payable to Stockholder in the amount to be paid at Closing by ARDCO as set forth in Exhibit 2;

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(ii) certified copies of the charter and by-laws of AHC, Industries, Ltd. and International;

(iii) minute books of AHC, Industries, Ltd. and International;

(iv) Certificates of Insurance of the policies listed in Exhibit 7(j);

(v) all tax returns of AHC, Industries, Ltd. and International;

(vi) a list of corporate names, vehicle titles, intellectual property, trademarks, tradenames, personal property, benefits programs and states where AHC and Industries conduct business;

(vii) statement from counsel to ARDCO as to all fees owing through the Closing;

(viii) a release of the Finger Furniture Lien;

(ix) evidence of the amount of Adjusted Cash on Hand (as defined below);

(x) a certified copy of the ARDCO Industries, Inc. Employees' Profit Sharing Plan and Trust;

(xi) certificates of tax and corporate good standing in each jurisdiction in which each of AHC, Industries, Ltd., and International is incorporated; certificates of tax and corporate good standing for jurisdictions in which the above named companies are doing business shall be delivered only in jurisdictions whereby the nature of the properties owned or leased or the business transacted by them require them to be so qualified, except those jurisdictions, if any, in which the failure to so qualify would not have a materials adverse effect on the business, operations or financial condition of the above named companies taken as a whole; and

(xii) any other documents or instruments which you deem desirable to consummate the transactions contemplated by this Agreement in form satisfactory to your counsel.

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(c) Deliveries by Buyer. At the Closing Buyer shall deliver or cause to be delivered payment by wire transfer to Stockholder in the amount to be paid at Closing by Buyer as set forth in Exhibit 2;

6. Mutual Release.

Effective as of the Closing, the Stockholder does hereby release ARDCO and its respective successors and assigns, and ARDCO does hereby release the Stockholder and his heirs, successors and assigns, of and from all manner of actions, causes of action, suits, debts, sums of money, accounts, reckonings, bonds, bills, specialties, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which arose out of facts or circumstances arising prior to or as of the date hereof; provided, however, that nothing herein shall be construed as (a) releasing any party's obligations under this Agreement, including without limitation, the indemnification obligations set forth in Section 12, or (b) releasing ARDCO from its obligation to indemnify the Stockholder for his actions or omissions as an officer or director pursuant to the Certificate of Incorporation, bylaws and the resolutions of the directors and stockholders, dated September 18, 1989 attached hereto and made expressly a part hereof as Exhibit 12(e) of AHC or Industries prior to his resignation.

7. Representations and Warranties. As an inducement to you to enter into this Agreement, and the Teachers Agreement, ARDCO and the Stockholder, jointly and severally, represent and warrant to you, your affiliates and subsidiaries as of the date hereof, and as of the Closing, the following:

(a) ARDCO and Stockholder each have full legal capacity, right, power and authority, without the consent of any other person, to execute and deliver this Agreement, and to carry out the transactions contemplated hereby.

(b) This Agreement and the other documents to be delivered at the Closing have been, or will be duly executed and delivered and are, or will be, the lawful, valid and legally binding obligations of the respective parties executing them, enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by any applicable bankruptcy, reorganization, insolvency or other laws affecting creditors rights generally or by general principles of equity, regardless of whether such enforceability is considered in equity or at law.

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(c) Each of AHC, Industries, Ltd. and International is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation and has full power and authority to own, operate or lease its properties and to carry on its respective business as currently being conducted.

(d) The aggregate authorized, issued and outstanding equity capital of AHC is as set forth in Exhibit 7(d). All issued and outstanding shares of capital stock of Industries are owned beneficially and of record by AHC. All issued and outstanding shares of capital stock of Ltd. and International are owned beneficially and of record by Industries. All issued and outstanding shares of AHC, Industries, Ltd. and International have been duly authorized and validly issued and are fully paid and nonassessable, with no preemptive rights attaching thereto. Except for the Original Stock Subscription Agreement by and between AHC and the Stockholder, dated April 10, 1980, the Purchase Agreement by and among AHC, Stockholder and C. H. Asel, Jr., dated October 23, 1980, the Purchase Agreement by and among AHC, Stockholder and Roy G. Bedford, dated October 23, 1980, the Purchase Agreement by and among AHC, Stockholder and George P. Holden, dated October 23, 1980, the Purchase Agreement by and among AHC, Stockholder and Thurmond D. McMillan, dated April 14, 1980, and the Letter Agreement by and between Robert H. Smith and Stockholder dated December 31, 1987, all of which have been waived, there are no restrictions affecting the transferability of the capital stock of AHC, Industries, Ltd. and International. There are no outstanding options, rights, warrants, conversion rights or other agreements or commitments to which ARDCO is a party or by which it is bound, providing for the issuance of additional shares of capital stock of ARDCO or for any other adjustment, purchase or transfer affecting such stock except for the Teachers stock and rights attached thereto.

(e) Stockholder is the record and beneficial owner of the Stock. The Stock constitutes all of the issued and outstanding capital stock of AHC except for the capital stock held by Teachers as reflected on Exhibit 7(d). Stockholder has good and marketable title to the shares of Stock registered in his name and the absolute right, power and capacity to sell, assign and transfer the same to Buyer free and clear

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of any liens, encumbrances, security interests, restrictive agreements, transfer restrictions, claims and imperfections of any nature whatsoever. Upon delivery of the certificates for the Stock to Buyer, Buyer designee will have full, valid and marketable title to the Stock.

(f) The consolidated financial statements of ARDCO for the period ended March 31, 1989 and for the period ended July 31, 1989, attached hereto as Exhibit 7(f), are accurate and complete in all material respects (subject to year-end adjustments), are in accordance with the books and records of the ARDCO and present fairly the financial position of ARDCO as of their respective dates in accordance with generally accepted accounting principles, consistently applied (subject to year-end adjustments).

(g) Exhibit 7(g) contains a complete and accurate list of all bank accounts, safe deposit boxes and lock boxes maintained by ARDCO and a list of all authorized signatories thereto.

(h) All outstanding accounts and trade receivables and notes receivable of ARDCO arose in the ordinary course of business.

(i) To the best of Stockholder's knowledge, all inventories reflected on the financial statements of ARDCO are (i) properly valued at the lower of cost or market value on a last-in, first-out basis in accordance with generally accepted accounting principles consistently applied; and (ii) contain no material amounts that are not of good and merchantable quality, salable and usable for the purposes intended in the ordinary course of ARDCO's business except for excess and obsolete inventory properly reserved against on ARDCO's books and records.

(j) ARDCO maintains insurance as set forth in Exhibit 7(j).

(k) Exhibit 7(k) contains an accurate and complete list of all material contracts, agreements, instruments and leases (other than those entered into after the date hereof with your written consent) related to the business of ARDCO and which are currently in force, to which ARDCO is a party or bound, or by which any of its properties are subject or bound. For the purposes of this Exhibit 7(k), a

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contract, an agreement, an instrument and a lease shall be deemed "material" if (i) it may not be terminated by ARDCO in its discretion and without penalty upon 30 days or less advance notice, or (ii) it involves payments in excess of \$10,000 per year.

(l) To the best of Stockholder's knowledge, all federal, state, local and other tax returns, reports and declarations of every nature required to be filed by or on behalf of ARDCO have been filed and such returns are complete and accurate in all material respects and disclose all taxes required to be paid for the periods covered thereby. All taxes shown on such returns and any deficiency assessments, penalties and interest have been paid, except for the amounts in dispute listed in Exhibit 7(l).

(m) Exhibit 7(m) contains a complete and accurate list and summary description of all existing liabilities, claims or obligations in excess of \$10,000 arising from or alleged to arise from any actual or alleged injury to persons or property as a result of the ownership, possession or use of any product manufactured by ARDCO or any predecessor company of ARDCO prior to the Closing.

(n) Except as set forth in Exhibit 7(n), ARDCO is not engaged in or a party to or threatened with any material suit, action, proceeding, investigation or legal, administrative, arbitration or other proceeding for settling disputes or disagreements or governmental investigation, and neither Stockholder nor ARDCO knows, anticipates or has notice of any basis for any such action. For the purposes of this Section 7(n), a suit, action, proceeding or investigation shall be deemed "material" if it involves an amount in controversy or potential liability of ARDCO exceeding \$10,000. Neither the Stockholder nor ARDCO has received notice of any investigation threatened or contemplated by any federal or state agency, which remains unresolved, involving either the safety aspects of the products of the business or ARDCO or the safe working conditions and environment of the employees of the business or the business' employment practices or policies.

(o) The representations and warranties contained in this Agreement and each Exhibit, certificate or other written statement delivered pursuant to this Agreement or in connection with the transactions

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contemplated herein are accurate, correct and complete, do not contain any untrue statement of a material fact or, considered in the context in which presented, omit to state a material fact necessary in order to make the statements and information contained herein or therein not misleading.

(p) Except as set forth in Exhibit 7(p) or as independently disclosed to Buyer by ERM-North Central, Inc.:

(i) To the best of Stockholder's knowledge, the use and operation by ARDCO and its predecessors of each facility in its current location used in its business has been and on the Closing will be in compliance in all material respects with all Federal, State, and local environmental laws as enacted, reauthorized, and amended.

(ii) To the best of Stockholder's knowledge, neither ARDCO nor, any of its predecessors has ever sent or arranged for the transportation of hazardous substances or wastes to a site which, pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980 ("CERCLA") or any similar state law: (x) has been placed or is proposed (by the Environmental Protection Agency or relevant state authority) to be placed, on the "National Priorities List" of hazardous waste sites or its state equivalent, or (y) is subject to a claim, an administrative order or other request to take "removal" or "remedial" action by any person as those terms are defined under CERCLA.

(iii) There are no underground fuel or other storage tanks located at any of ARDCO's facilities.

(iv) To the best of Stockholder's knowledge, there are no buried drums, hazardous substances or other conditions not in view which may give rise to environmental liability or otherwise requires removal or remediation.

(q) With respect to each Employee Welfare Benefit Plan (as defined in Section 3(1) of ERISA (a "Plan")): (a) ARDCO has fulfilled the obligations

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under the minimum funding standards of the Employee Retirement Income Security Act, as amended ("ERISA") and the Internal Revenue Code of 1986, as amended ("Code") and is in compliance in all material respects with the presently applicable provisions of ERISA and the Code, and has not incurred any liability to the Pension Benefit Guaranty Corporation or an Plan in connection with the termination of a Plan under Title IV of ERISA; (b) with respect to each Plan, there have been no prohibited transactions (as defined in Section 4975(c) of the Code and Section 406 of ERISA) for which an exemption was not available or reportable events (as defined in Section 4043(b) of ERISA and the regulations thereunder); which are required to be reported under applicable regulations and (c) each Plan which is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service. ARDCO has not maintained or contributed to any Employee Pension Benefit Plan or Multiemployer Plan as defined in Sections 3(2) and 3(37) of ERISA.

(r) Except as set forth in Exhibit 7(r), each ARDCO company is the sole and exclusive legal and equitable owner of all right and title in and has good, marketable and indefeasible title to all of its respective assets, free and clear of any mortgage, pledge, charge, lien, claim, right, security interest, encumbrance, covenant or restriction of any kind, direct or indirect. The execution of this Agreement and the performance of the covenants contemplated herein will not result in the creation of any lien, charge or encumbrance upon any of the assets of any of the ARDCO companies.

(s) Except as set forth in Exhibit 7(s), the assets and properties of each of the ARDCO companies are in good operating condition and repair (reasonable wear and tear excepted), and are adequate and suitable for the purposes for which they are currently being used. These assets and properties conform to all applicable laws, ordinances and regulations, except for such minor variations as do not impair or interfere with the use of such property or assets for the purposes for which they are employed, and neither ARDCO nor the Stockholder have received any notice to the contrary. ARDCO has conducted its business in compliance with all laws, rules and regulations the violation of which would have a material adverse affect on its properties, assets or business.

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(t) The only payments payable upon severance or termination of employment without cause by ARDCO to any employee, officer or director of ARDCO are the severance payments listed on Exhibit 7(t). The Performance Bonus Plan adopted by the Board of Directors of Industries on April 14, 1989 (the "Performance Bonus Plan") is the only bonus plan in effect for ARDCO employees and the amounts which would be paid based on a July 31, 1989 fiscal year to all employees are listed on Exhibit 7(t). ARDCO is under no legal obligation to make any payments under the Performance Bonus Plan and no amounts have been paid pursuant to the Performance Bonus Plan - except for payments to Stockholder and Roy G. Bedford in the amounts set forth in Exhibit 7(t) (the "Bonus Payments"). No amounts in lieu of accrued vacation pay have been paid to any of the persons listed on Exhibit 7(t) except for the amounts accrued and paid in April and August of 1989 and listed in Exhibit 7(t).

3. Representations and Warranties by the Buyer. The Buyer represents and warrants the following:

(a) Buyer has full legal capacity, right, power and authority, without the consent of any other person, to execute and deliver this Agreement, and to carry out the transactions contemplated hereby.

(b) This Agreement and the other documents to be delivered at the Closing have been, or will be duly executed and delivered and are, or will be, the lawful, valid, and legally binding obligations of Buyer, enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by any applicable bankruptcy, reorganization, insolvency or other laws affecting creditors rights generally or by general principles of equity, regardless of whether such enforceability is considered in equity or at law.

(c) Buyer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdictions of its incorporation or formation and has full power and authority to own, operate or lease its properties and to carry on its respective businesses as currently being conducted.

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9. Non-Competition Agreement.

(a) For a period of three years following the Closing, Stockholder shall not, directly or indirectly, by himself or as the agent of another or through others as agent (except with your written consent):

(i) own, manage, promote, operate, be compensated by, participate in, render advice to or control any other business anywhere within the United States, that is directly or indirectly engaged in a business that may either directly or indirectly compete with the business conducted by ARDCO (as defined below, the "Business"); and

(ii) solicit or accept any business that may directly or indirectly compete with the Business from customers of ARDCO or request, induce or advise customers of ARDCO to withdraw, curtail or cancel their business with ARDCO.

(b) For purposes of this Agreement, the "Business" is defined as any product or service offered by ARDCO during the ten years prior to the Closing, the sale of which constituted or constitutes five percent (5%) or more of ARDCO's annual sales in any fiscal year. Any such product or service discontinued by ARDCO prior or subsequent to the Closing shall not be deemed a part of the Business.

(c) If Stockholder violates the provisions of this Section 9, ARDCO shall not, as a result of the time involved in obtaining relief, be deprived of the benefit of the full period of the restrictive covenant. Accordingly, the restrictive covenant shall be deemed to extend the duration specified in Section 9(a), computed from the date the relief is granted but reduced by the time between the period when the restriction began to run and the date of the first violation of the covenant by the Stockholder.

(d) If Stockholder violates the provisions of this Section 9, ARDCO and you shall be entitled to an accounting and repayment of all profits, compensation, commission, remuneration of other benefits that the Stockholder, directly or indirectly, may realize arising from or related to any such violation. These

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remedies shall be in addition to, and not in limitation of, any injunctive relief or other rights to which you or ARDCO may be entitled.

(e) The necessity of protection against the competition of the Stockholder and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereby agree and acknowledge that the duration, scope and geographic area applicable to the restrictions set forth in this Section 9 are fair, reasonable and necessary. The consideration provided for herein is sufficient and adequate to compensate the Stockholder for agreeing to the restrictions contained in this Section 9. If, however, any court determines that the foregoing restrictions are not reasonable, such restrictions shall be modified, rewritten or interpreted to include as much of their nature and scope as will render them enforceable.

10. Interim Conduct of Business. ARDCO and the Stockholder hereby agree that from the date hereof until the Closing, ARDCO shall preserve, protect and maintain its business and assets, and shall operate its business as a going concern consistent with prior practice and in the ordinary course of business (except as may be authorized pursuant to this Agreement).

11. Conditions to Closing.

(a) Buyer's and ARDCO's obligations to consummate the transactions contemplated by this Agreement are subject to the fulfillment of the following conditions, which conditions may be waived solely by Buyer in Buyer's discretion:

(i) The amount of cash owned or held by ARDCO as of the Closing, after deduction of the Payable Deduction (as defined below) and the Bonus Payments shall be at least \$2.0 million (the "Adjusted Cash on Hand"), and ARDCO shall use such cash (minus the amount necessary to make the payments under this Agreement) to pay off at least \$1,500,000 of its debt to Teachers. For the purposes of this Section 11(a)(i), the "Payable Deduction" shall equal the amount by which the amount of the noncurrent accounts payable of ARDCO at Closing exceeds the amount of the noncurrent accounts payable of ARDCO at July 31, 1989.

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(ii) Buyer shall have executed the Teachers Agreement and all of the conditions to the Closing of the Teachers Agreement shall have been complied with or waived;

(iii) AHC and Industries shall have entered into and consummated an agreement acceptable to you with CSBWMD All Terrain Vehicles, Inc. ("Maxus") providing for the complete release of all debt of AHC and Industries to Maxus in exchange for the conveyance to Maxus of the real property subject to a mortgage held by Maxus, and AHC shall have entered into a lease for such property on terms and conditions acceptable to Buyer.

(iv) The representations and warranties of Stockholder and ARDCO contained herein shall be accurate in all material respects as if made on and as of the Closing Date and Stockholder and ARDCO shall have performed each and all of the obligations and complied with each and all of the covenants specified in this Agreement to be performed or complied with by them on or prior to the Closing.

ARDCO and the Stockholder agree to use their best efforts to cause the foregoing conditions to be fulfilled.

(b) The Stockholder's obligations to consummate the transactions contemplated by the Agreement are subject to the fulfillment of the following conditions, which conditions may be waived solely by the Stockholder in his discretion:

(i) Buyer shall have executed the Teachers Agreement and all of the conditions to the Closing of the Teachers Agreement shall have been complied with or waived;

(ii) AHC and Industries shall have entered into and consummated an agreement acceptable to Buyer with CSBWMD All Terrain Vehicles, Inc. ("Maxus") providing for the complete release of all debt of AHC and Industries to Maxus in exchange for the conveyance to Maxus of the real property subject to a mortgage held by Maxus, and AHC shall have entered into a lease for such property on terms and conditions acceptable to Buyer.

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(iii) The representations and warranties of Buyer contained herein shall be accurate in all material respects as if made on and as of the Closing Date and Buyer shall have performed each and all of the obligations and complied with each and all of the covenants specified in this Agreement to be performed or complied with by Buyer on or prior to the Closing.

Buyer agrees to use its best efforts to cause the foregoing conditions to be fulfilled.

12. Indemnification.

(a) After the Closing the Stockholder shall indemnify, defend and hold ARDCO, you and your affiliates and subsidiaries harmless of, from and against any claim, loss, expense, remedial cost, penalty or damage in excess of the proceeds of applicable insurance coverage, including court costs and reasonable attorneys' fees (collectively, "Indemnified Losses"), which ARDCO, you, your affiliates or subsidiaries may suffer or incur or which may be asserted against you during the eighteen (18) month period from the date of the Closing as a result of (i) any breach of any warranty, representation, covenant or undertaking by the Stockholder or ARDCO hereunder, or (ii) a violation of environmental laws or regulations in effect as of the Closing regarding ARDCO's facilities, including without limitation, notices of potential responsibility or violation of law from a governmental agency that allege liability arising from ARDCO's activities, and the removal, remediation and relocation of any hazardous wastes or contaminated materials existing on any ARDCO facility as of the Closing, but only to the extent the reasonable cost of correction of any such violation or response to any such notice exceeds \$50,000. The indemnification obligation in Section 12(a)(ii) shall not apply to matters disclosed to Buyer in Exhibit 7(p) or matters independently disclosed to Buyer by ERM-North Central, Inc., or matters arising from or in connection with the failure by ARDCO to comply with applicable environmental and other laws or any other activities of ARDCO subsequent to the Closing.

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(b) The representations, warranties, covenants and agreements made by the parties in this Agreement shall survive the Closing for a period of eighteen months.

(c) ARDCO, you and your affiliates and subsidiaries shall be entitled to recover any indemnification payments due hereunder by setting off such amount against any amount due from ARDCO to the Stockholder. Any indemnification amounts due to ARDCO, you or your affiliates or subsidiaries which are not so offset, shall be due and payable by the Stockholder within 15 days of their respective receipt of written notice from ARDCO, you or your affiliates or subsidiaries. The rights hereunder are cumulative and shall be in addition to all other rights and remedies available at law or in equity.

(d) The total liability of Stockholder under this Agreement shall be limited to \$250,000.

(e) If within two years after the Closing, AHC or Industries terminates operations, files or has filed against it a petition for bankruptcy under any Federal or state bankruptcy law (which petition is not vacated within 60 days after the filing thereof), dissolves or liquidates, then Buyer shall assume (i) any obligation or liability of ARDCO to make continuing payments pursuant to Section 2, and (ii) any obligation of ARDCO to indemnify and hold harmless its officers and directors pursuant to the certificate of incorporation or by-laws and resolutions of AHC or Industries as in effect at the time of such termination, bankruptcy, liquidation or dissolution. During the two year period after Closing, neither AHC nor Industries shall amend, alter or modify their respective certificates of incorporation or by-laws in a manner which would provide less indemnification protection for officers and directors than that which is in effect as of the date hereof. Nor shall AHC or Industries pass resolutions contradicting, or rescind, the resolutions of the directors and Stockholders dated September 18, 1989, and attached hereto and made expressly a part hereof as Exhibit 12(e).

13. Entire Agreement. This Agreement supersedes all prior understandings and Agreements of the parties hereto and contains the entire Agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by all the parties hereto.

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14. Amendment and Waivers. No amendment to this Agreement or waiver of any of its provisions shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision hereof, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

15. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be sent by personal delivery or certified or registered mail, postage prepaid, as set forth opposite their addresses below. Any party may change its address for receiving notice by written notice given to the others named above.

16. Expenses. The Stockholder shall be responsible for their respective expenses and the expenses of ARDCO, and you shall be responsible for your own expenses, in connection with the transactions contemplated hereby; provided, however, that ARDCO shall pay the reasonable legal expenses and disbursements incurred by ARDCO, provided that any such expenses and disbursements to the extent they exceed \$20,000 shall not be paid except upon Buyer's approval.

17. APPLICABLE LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS, AND THE PARTIES HEREBY CONSENT TO THE JURISDICTION OF ILLINOIS COURTS OVER ALL MATTERS RELATING TO THIS AGREEMENT.

18. No Brokerage. ARDCO and the Stockholders on the one hand, and you on the other hand, represent to the others that no broker or agent dealt with or represented it or them in the negotiation of or in connection with this Agreement or any transaction contemplated hereunder.

19. Payments. Subject to Section 12, any payments required to be made to Stockholder after the date hereof shall continue irrespective of the Stockholder's death. Stockholder may from time to time designate a beneficiary to receive such payments in the event of his death by notice in writing to ARDCO.

20. Binding Nature. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their executors, administrations, heirs, personal representatives, successors and assigns.

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21. Late Payments. To the extent any payment required to be paid to Stockholder under Section 2 is not paid when due, and continues to be unpaid 7 days thereafter, Stockholder shall be entitled to a late fee equal to 10% of the amount of such payment (the "Late Fee") and shall be paid an additional Late Fee for each additional 30 day period such payment remains unpaid until such payment is paid and performed in full.

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

ARDCO HOLDING CORPORATION

By: *Joseph H. Ards*
 Its: President
 Address: 322 Riley Road
 Houston, Texas 77047

ARDCO INDUSTRIES, INC.

By: *Joseph H. Ards*
 Its: President
 Address: 322 Riley Road
 Houston, Texas 77047

ARDCO INDUSTRIES, LTD.

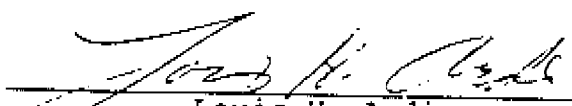
By: *Joseph H. Ards*
 Its: President
 Address: 4121 50th Avenue
 Stony Plain, Alberta
 Canada T0E2G0

ARDCO INTERNATIONAL, INC.

By: *Joseph H. Ards*
 Its: President
 Address: 322 Riley Road
 Houston, Texas 77047

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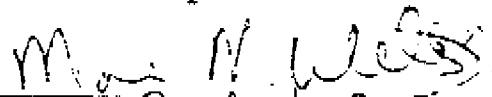

STOCKHOLDER:



 Louis H. Ardis
 Address: 3930 Point Clear
 Missouri City, TX 77489

Accepted and Agreed to:

Pettibone Corporation

By 
 Its ~~President~~ 
 Address: 2700 River Road
 Suite 302
 Des Plaines, Illinois 60018