

05-02-2007



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

4.30.07

1. Name of conveying party(ies):

Greening Donald Co. LTD.

- Individual(s)
- General Partnership
- Corporation- State: Ontario, Canada
- Other _____

Citizenship (see guidelines) Ontario, Canada

Additional names of conveying parties attached? Yes No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) March 30, 2007

- Assignment
- Security Agreement
- Other Asset Purchase Agreement (Redacted)
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: GD Automotive Corp.

Internal

Address: N/A

Street Address: 16 Commerce Road

City: Orangeville

State: Ontario

Country: Canada Zip: L9W 2X7

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other _____

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

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

A. Trademark Application No.(s)
N/A

B. Trademark Registration No.(s)
2172735

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown)

N/A

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

Name: Walter J. Raudonis

Internal Address: N/A

Street Address: 191 Social Street, PO Box 500

City: Woonsocket

State: Rhode Island Zip: 02895

Phone Number: (401) 769-4700

Fax Number: (401) 766-1925

Email Address: wraudonis@acsind.com

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$40.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers N/A
Expiration Date N/A

b. Deposit Account Number N/A
Authorized User Name N/A

9. Signature: Walter J. Raudonis
Signature

April 23, 2007
Date

05/01/2007 DBYRNE 00000008 2172735

01 FC:8521

Walter J. Raudonis

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: **30**

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

TRADEMARK
REEL: 003534 FRAME: 0692

GD AUTOMOTIVE CORP.

- and -

GREENING DONALD CO. LTD.

ASSET PURCHASE AGREEMENT

March 30, 2007

Aird & Berlis LLP
BCE Place, 181 Bay Street
Suite 1800, Box 754
Toronto, ON M5J 2T9

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Exhibit "A" Pension Assumption Agreement

Exhibit "B" Union MOA

Exhibit "C" Pension Escrow Agreement

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of this 30th day of March, 2007.

B E T W E E N:

GD AUTOMOTIVE CORP., an unlimited liability corporation incorporated under the laws of the Province of Nova Scotia (the "**Purchaser**")

-- and --

GREENING DONALD CO. LTD., a corporation incorporated under the laws of the Province of Ontario (the "**Vendor**")

WHEREAS the Vendor is engaged in the business of manufacturing and supplying airbag filter components and products (the "**Business**");

AND WHEREAS the Vendor obtained protection from its creditors under the *Companies' Creditors Arrangement Act* (the "**CCAA**") pursuant to a court order dated November 17, 2006 (the "**Initial Order**");

AND WHEREAS Deloitte & Touche Inc. was appointed as monitor of the Vendor pursuant to the Initial Order (the "**Monitor**");

AND WHEREAS the Vendor intends to sell, and the Purchaser intends to purchase certain of the assets and assume certain of the liabilities, of the Vendor relating to the Business as set forth in this Agreement.

NOW THEREFORE, in consideration of the payment of the Purchase Price and the assumption of the Assumed Liabilities, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

The following words and phrases shall have the following meanings respectively:

- (a) "**Access Period**" has the meaning ascribed thereto in Section 5.4(a);
- (b) "**Acquired Assets**" has the meaning ascribed thereto in Section 2.1;

- (c) **"Agreement"** means this Agreement including the Recitals and Schedules to this Agreement as it or they may be amended or supplemented from time to time, and the expressions **"hereof"**, **"herein"**, **"hereto"**, **"hereunder"**, **"hereby"** and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement;
- (d) **"Assumed Liabilities"** has the meaning ascribed thereto in Section 4.1;
- (e) **"Approval and Vesting Order"** means an approval and vesting order of the Court in a form substantially similar to the draft order attached hereto as Schedule 1.1(e) or as otherwise acceptable to the parties, acting reasonably;
- (f) **"Books and Records"** means all information in any form relating to the Acquired Assets, the Assumed Liabilities, the Employees or the environmental condition of the Real Property, including books of account, financial and accounting information and records, personnel records, sales and purchase records, customer and supplier lists, research and development reports and records, production reports and records, equipment logs, operating guides and manuals, marketing and advertising materials and all other documents, files, correspondence and other information, but for greater certainty, except as set out above, does not include any information relating to the Excluded Assets;
- (g) **"Business"** has the meaning ascribed thereto in the first Recital paragraph hereof;
- (h) **"Collective Agreement"** means the collective bargaining agreement between
agreement,
- (i) **Closing** has the meaning ascribed thereto in Section 6.1;
- (j) **"Closing Date"** has the meaning ascribed thereto in Section 6.1;
- (k) **"Contract"** means any agreement, evidence of indebtedness, bond, commitment, indemnity, indenture, instrument, lease, license, mortgage, statement of work, security agreement or other contract, commitment, undertaking or understanding whatsoever, whether or not in writing and regardless of whether entered into by the parties to this Agreement.

- (l) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (m) “**Court Proceedings**” means the insolvency proceedings commenced in respect of the Vendor under the *CCAA*;
- (n) “**Defined Benefit Pension Plan**” means the pension plan for bargaining unit employees of Greening Donald Co. Ltd. represented by the Union (Orangeville location), as amended and restated and registered as number 0359414;
- (o) “**Deposit**” has the meaning ascribed thereto in Section 3.2;
- (p) “**Employees**” means all individuals employed or retained by the Vendor on a full time, part time or temporary basis, in connection with the Business, including those employees on disability leave, parental leave or other absence;
- (q) “**Excluded Assets**” means only the assets specifically identified and listed on Schedule 2.2;
- (r) “**Initial Order**” has the meaning ascribed thereto in the second Recital above, as the same may be amended, varied and supplemented by subsequent orders of the Court;
- (s) “**Intellectual Property**” means, wherever located, all of the Vendor’s patents and patent rights, trademarks and trademark rights, trade names and trade name rights, service marks and service mark rights, service names and service name rights, copyrights and copyright rights, brand names, trade dress, business and product names, domain names, corporate names, logos, slogans, trade secrets, inventions, processes, formulae, industrial models, designs, specifications, data, technology, methodologies, computer programs (including all source code), confidential and proprietary information, whether or not subject to statutory registration, all related technical information, manufacturing, engineering and technical drawings, know how, all pending applications for and registrations of patents, trademarks, service marks and copyrights, all obligations of third parties relating to the protection of the foregoing, the goodwill associated with the foregoing, and the right to sue for past payment, if any, in connection with any of the foregoing, and all documents, disks and other media on which any of the foregoing is stored;
- (t) “**Material Adverse Effect**” means any change, event, violation, inaccuracy, circumstance or effect, individually or when aggregated with other changes, events, violations, inaccuracies, circumstances or effects, that would be materially adverse to or have a material adverse effect on the Acquired Assets or a material increase in the Assumed Liabilities, including any environmental

claim or liability of which the Purchaser is not aware upon execution hereof but becomes aware of prior to Closing;

- (u) **"Non-fulfillment Date"** has the meaning ascribed thereto in Section 16.6;
- (v) **"Occupation Agreement"** has the meaning ascribed thereto in Section 5.5;
- (w) **"Pension Assumption Agreement"** means an agreement with respect to the Defined Benefit Pension Plan in a form substantially similar to the draft agreement attached hereto as Exhibit "A" or as otherwise acceptable to the parties, acting reasonably;
- (x) **"Pension Escrow Agreement"** means an agreement between the Receiver and the Purchaser in a form substantially similar to the draft agreement attached hereto as Exhibit "B" or as otherwise acceptable to the parties, acting reasonably;
- (y) **"Person"** is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;
- (z) **"Purchase Price"** has the meaning ascribed thereto in Section 3.1;
- (aa) **"Purchase Price Allocation"** has the meaning ascribed thereto in Section 3.1;
- (bb) **"Real Property"** means the real property municipally known as 16 Commerce Road, Orangeville, Ontario;
- (cc) **"Receiver"** means Deloitte & Touche Inc. in its capacity as receiver and manager and/or interim receiver of the Excluded Assets and the proceeds of the transaction contemplated by this Agreement, appointed by the Court with effect immediately following Closing;
- (dd) **"Tax" or "Taxes"** means any and all taxes, fees, premiums, levies, duties, tariffs, imposts, and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any governmental authority or taxing authority, including, without limitation, taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, capital, transfer, land transfer, business, franchising, property, sales, use, capital stock, payroll, employment, social services, education, social security, workers' compensation, unemployment compensation, employment insurance, health insurance and Canada, Quebec and other government pension plan premiums or contributions, or net worth; all surtaxes; taxes or other charges in the nature of excise, withholding, customs duties and import and export taxes, ad valorem, stamp, transfer, goods and services, harmonized sales, value added, or gains

taxes; license, registration and documentation fees; and customs duties, tariffs, and similar charges;

- (ee) "Union" means the United Steelworkers of America and its Local Union No. 6266;
- (ff) "Union MOA" means the Memorandum of Understanding dated 2007 between the Union and the Employer, as amended to the date hereof, shall form part of the Agreement hereto as Exhibit "A".

1.2 Construction of Agreement

In this Agreement:

- (a) any reference to a statute will mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced, from time to time, and any successor statute thereto, unless otherwise expressly provided;
- (b) all dollar amounts are expressed in lawful money of Canada;
- (c) the division of this Agreement into separate Articles, Sections and Schedule(s), the provision of a table of contents and the insertion of headings is for convenience of reference only and will not affect the construction or interpretation of this Agreement;
- (d) Singular terms in this Agreement include the plural, and plural terms include the singular; and
- (e) any use of the word "including" shall mean "including, without limitation".

1.3 Schedules

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**ARTICLE 2
PURCHASE AND SALE OF ASSETS**

2.1 Acquired Assets

Upon the terms and subject to the conditions set forth in this Agreement, the Vendor shall sell, transfer, convey, and assign to the Purchaser, and the Purchaser shall purchase and acquire from the Vendor, at the Closing on the Closing Date, all right, title, benefit and interest of the Vendor in and to any and all of the tangible and intangible assets of the Vendor other than the Excluded Assets, including any and all Books and Records, wherever located, including Mexico, Texas, France, Japan, or located at or under the control of third parties that are owned, used or held for use by the Vendor in relation to the Business, including any and all accounts receivable, inventory (including any and all consigned inventory and inventory in transit), prepaid expenses, machinery and equipment, including any and all Toyoda looms, electrical wiring and connections from points beginning at each and every piece of production equipment and terminating at the main switch gear, all fixed assets, tooling, spare parts, supplies, furniture, business records, software, media, and Intellectual Property (collectively, the "Acquired Assets").

2.2 Excluded Assets

The Purchaser shall only purchase and acquire the Acquired Assets and shall not acquire or purchase any of the Excluded Assets listed on Schedule 2.2.

2.3 Conveyance of Acquired Assets

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2.4 Transfer Taxes and Fees

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2.5 Accounts Receivable Election

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2.6 "As Is Where Is" Sale

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ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

3.2 Deposit

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3.3 Payment of Purchase Price

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3.4 Adjustments

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**ARTICLE 4
ASSUMPTION OF LIABILITIES**

4.1 Assumption of Liabilities

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4.2 Environmental Matters

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**ARTICLE 5
OBLIGATIONS OF PARTIES**

5.1 Exclusivity

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5.2 Court Approval Actions

5.3 Notice of Proceedings

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5.4 Access Before Closing

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5.5 Occupation Agreement

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**ARTICLE 6
CLOSING**

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**ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF VENDOR**

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7.1 Organization and Standing of the Vendor

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7.2 Acquired Assets

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7.3 No Injunctions, etc.

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7.4 No Options

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7.5 Residence of the Vendor

7.6 Compliance with Law: Permits

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**ARTICLE 8
REPRESENTATIONS AND WARRANTIES OF PURCHASER**

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8.1 Existence

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8.2 Corporate Authority

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8.3 Residence of the Purchaser

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8.4 Consents

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**ARTICLE 9
COVENANTS**

9.1 Further Actions

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9.2 Press Releases

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9.3 Non-Disclosure

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**ARTICLE 10
EMPLOYEES AND OTHER ADDITIONAL AGREEMENTS**

10.1 Termination of Employees

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10.2 Offers to Employees

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10.3 Employee Remuneration, Benefits and Deductions

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10.4 Employee Vacation Pay

10.5 Defined Benefit Pension Plan

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10.6 Confidentiality of Purchaser

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10.7 Confidentiality of Vendor

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10.8 GST Election

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10.9 Purchaser's Indemnification

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**ARTICLE 11
TERMINATION**

11.1 Termination

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11.2 Effect of Termination

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**ARTICLE 12
POST-CLOSING COVENANTS**

12.1 Vendor's Continued Access Books and Records

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**ARTICLE 13
INTERIM PERIOD**

13.1 Conduct of Business

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13.2 Risk of Loss

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13.3 Regulatory Filings

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ARTICLE 14
CLOSING DELIVERIES

14.1 Closing Deliveries

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**ARTICLE 15
CONDITIONS FOR THE BENEFIT OF BOTH PARTIES**

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15.1 Order

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15.2 Occupation Agreement

15.3 Interim Receivership Order

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**ARTICLE 16
CONDITIONS FOR THE PURCHASER'S BENEFIT**

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16.1 Accuracy of Representations and Performance of Obligations

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16.2 Closing Documents Delivered

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16.3 NO PROHIBITION

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16.4 Pension Contributions

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16.5 No Material Adverse Effect

16.6 Closing Date

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ARTICLE 17
CONDITIONS FOR VENDOR'S BENEFIT

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17.1 Accuracy of Representations and Performance of Obligations

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17.2 Closing Documents Delivered

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17.3 No Prohibition

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17.4 Litigation

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17.5 Closing Date

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17.6 Pension Assumption Agreement and Pension Escrow Agreement

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**ARTICLE 18
MISCELLANEOUS**

18.1 Waiver

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18.2 Remedies Cumulative

18.3 Notices

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If to the Purchaser:

18.4 Delivery of Notices

18.5 Entire Agreement, Binding Effect

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18.6 Assignment

The Vendor shall not have the right to assign any of its rights and obligations hereunder. However, the Purchaser may assign its rights and obligations under this Agreement to an affiliate of the Purchaser. To the extent that any such assignment occurs, this Agreement and all provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

18.7 Counterparts

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18.8 Governing Law

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18.9 Severability

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18.10 No Third Party Rights

Agreement

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18.11 Amendment


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18.12 Time of Essence

18.13 Costs of Transaction

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

GD AUTOMOTIVE CORP.

By: 
Steven N. Buckler, President

GREENING DONALD CO. LTD.

By: _____
Name:
Title:

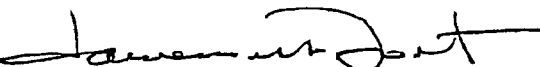
18.13 Costs of Transaction

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

GD AUTOMOTIVE CORP.

By: _____
Steven N. Buckler, President

GREENING DONALD CO. LTD.

By: 
Name: Lawrence H. Ford
Title: PRESIDENT