Form **PTO-1594** (Rev. 06/04)
OMB No. 0651-0027 (exp. 6/30/2005)

06-08-2006

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

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To the Director of U.S. Patent and Trademar[illegible] ents o the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

General Shale Products, LLC
executed July 30, 2004

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State (Delaware)
☐ Other
Additional name(s) of conveying party(ies) attached? NO

2. Name and address of receiving party(ies)
Additional names, addresses, or citizenship attached? ☐ Yes ☒ No

Name: General Shale Brick, Inc.
Internal Address: _____
Street Address: 3211 North Roan Street
City: Johnson City State: TN Zip: 37601

☐ Association Citizenship _____
☐ General Partnership Citizenship _____
☐ Limited Partnership Citizenship _____
☒ Corporation Citizenship US
☐ Other _____ Citizenship _____

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

3. Nature of conveyance:

☐ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☒ **Other: Acquisition Agreement**

4. Application number(s) or registration number(s) and identification or description of the Trademark.
A. Trademark Application No.(s)
B. Trademark Registration No.(s) 2,227,941

Additional number(s) attached ☐ Yes ☒ No

C. Identification of Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):
Mark: BRICKSCAPE (brick pieces used for landscaping, patios, walkways, driveways, erosion control and non-grass portions of arenas or stadiums, in International Class 19)

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

Name: Reed Smith LLP, Attn. Juan C. Marquez
Internal Address: _____
Street Address: 3110 Fairview Park Drive, Suite 1400
City: Falls Church State: VA Zip: 22402
Phone Number: 703-641-4289
Fax Number: 703-204.1352
Email Address: jmarquez@reedsmith.com

6. Total number of applications and registrations involved: one

7. Total fee (37 CFR 2.6(b)(6) & 3.41).....$_____
☐ Authorized to be charged by credit card
☒ Authorized to be charged to deposit account
☒ $40.00 Enclosed

8. Payment Information
a. Credit Card Last 4 Numbers _____
Expiration Date _____
b. Deposit Account Number _____
Authorized User Name _____

9. Signature

Signature

Juan Carlos A. Marquez
Name of Person Signing

June 5, 2006
Date

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

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

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ACQUISITION AGREEMENT

AGREEMENT, made and entered into as of December 23, 1999, by and among GENERAL SHALE PRODUCTS LLC, a Delaware limited liability company (the "Buyer"), and RICE PARTNERS II, L.P., a Delaware limited partnership ("Rice Partners"); THOMAS F. DARDEN ("Darden"); and ARMISTEAD BURWELL, JR., WILLIAM E. BROWN, JOHN M. CORCORAN and WILLIAM D. POWERS (each a "Management Member" and collectively the "Management Members"). Rice Partners, Darden and the Management Members are referred to collectively herein as the "Sellers." The Buyer and the Sellers are referred to collectively herein as the "Parties."

WITNESSETH:

Rice Partners owns 100% of the outstanding capital stock of Rice Brick, Inc., a Delaware corporation ("Rice Brick"). Darden owns 100% of the outstanding capital stock of Cherokee Sanford, Inc., a North Carolina corporation ("CSI"). Rice Brick owns a 51.75% Member Interest in Cherokee Sanford Group, LLC, a Delaware limited liability company (the "Company"), and CSI owns a 38.25% Member Interest in the Company. The Management Members collectively own a 10% Member Interest in the Company. This Agreement provides for a transaction in which the Buyer will acquire, on the terms and conditions set forth herein (a) 100% of the outstanding capital stock of Rice Brick, (b) 100% of the outstanding capital stock of CSI, and (c) 100% of the Member Interests in the Company owned by the Management Members. Upon the closing of such transaction, the Buyer, directly and through Rice Brick and CSI, will own 100% of the Member Interests in the Company. Rice Brick, CSI and the Company may be collectively referred to herein as the "Companies".

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties hereby agree as follows:

SECTION 1. Definitions. For purposes of this Agreement, the following terms shall have the meanings indicated:

"Adjusted Working Capital" means without duplication (a) the sum of accounts receivable (net of customary reserves), inventory (net of customary reserves), prepaid expenses and all other current assets of the Company, plus (b) cash and prepaid Taxes of Rice Brick, minus (c) the sum of accounts payable, accrued expenses and all other current liabilities of the Company (excluding accrued interest on the GE Capital Debt and the Rice Partners Debt), minus (d) liabilities reflected or disclosed on the Most Recent Rice Brick Balance Sheet and liabilities of Rice Brick for Income Taxes attributable to operations of the Company subsequent to the date of the Most Recent Rice Brick Balance Sheet and prior to the Closing Date; provided, however, that Adjusted Working Capital shall exclude (x) cash, cash equivalents and marketable securities, (y) the current portion of the principal of any long term debt of the Company, and (z) the accrued liability of the Company for soil remediation. Adjusted Working Capital shall be calculated in accordance with GAAP and, to the extent consistent with GAAP, in a manner consistent with the methodology used in preparing the audited Most Recent Fiscal Year End Balance Sheet included in the Company Financial Statements. Schedule A attached to this Agreement, which follows

the Exhibits hereto, sets forth the proper computation of Adjusted Working Capital as of the Most Recent Fiscal Year End based on the Company Financial Statements (except that such computation on Schedule A excludes the liabilities of Rice Brick referenced in clause (d) above and any required accrued liabilities relating to capital expenditures at the Maryland Facility pursuant to Section 9(h) herein) and shall be used as the basis for computing the Adjusted Working Capital.

"Affiliate" means, with respect to any Person, any other Person which directly or indirectly controls, is under common control with, or is controlled by, such specified Person.

"Allocable Portion" means with respect to the share of each Seller in a particular amount, the following percentages for each Seller multiplied by the particular amount in question: Rice Partners - 51.75%; Darden - 38.25%; Armistead Burwell - 4%; William E. Brown - 2%; John M. Corcoran - 2%; William D. Powers - 2%.

"Closing Adjusted Working Capital" means Adjusted Working Capital as of the Closing Date as determined from the Closing Date Balance Sheet.

"Closing Date Balance Sheet" means an unaudited balance sheet of the Company as of the Closing Date, prepared in accordance with GAAP. The Closing Date Balance Sheet shall also be prepared, to the extent consistent with GAAP, on a consistent basis with the audited balance sheet included in the Most Recent Fiscal Year End Company Financial Statements. The Closing Date Balance Sheet shall be based upon a physical inventory taken on or reasonably close to, but not later than, the Closing Date. Buyer and its representatives may participate in any such inventory.

"Company ERISA Representations" shall mean the representations of the Sellers contained in Section 7(s) relating to certain ERISA and employee matters.

"Company Real Estate Title Representations" shall mean the representations of the Sellers contained in Section 7(l)(i)(A) relating to the Company's title to its owned real properties.

"Company Tax Representations" shall mean the representations of the Sellers contained in Section 7(k) relating to certain tax matters.

"CSI Cherokee Interest" shall mean the Member Interest owned and held by CSI pursuant to the terms of the Operating Agreement, as referenced in Section 7(b) of the Disclosure Schedule.

"CSI Stock" means 192,488,209 shares of the common stock, par value $.01 per share, of CSI.

"Disclosure Schedule" means the disclosure schedule delivered by the Sellers to the Buyer on the date hereof, which schedule is organized by specifying the Sections hereof as to which each exception on the schedule applies and is initialed by the Parties.

"Employee Benefit Plan" means any (a) nonqualified deferred compensation or retirement plan or arrangement, (b) qualified defined contribution retirement plan or arrangement

which is an Employee Pension Benefit Plan, (c) qualified defined benefit retirement plan or arrangement, which is an Employee Pension Benefit Plan (including any Multiemployer Plan), or (d) Employee Welfare Benefit Plan.

"Employee Pension Benefit Plan" has the meaning set forth in ERISA §3(2).

"Employee Welfare Benefit Plan" has the meaning set forth in ERISA §3(1).

"Environmental, Health and Safety Requirements" means all federal, state, local and foreign statutes, regulations and ordinances concerning public health and safety, worker health and safety, and pollution or protection of the environment, including, without limitation, (i) all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or clean-up of any hazardous materials, substances or waste, as such requirements are enacted and in effect on or prior to the Closing Date, and (ii) the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. §9601 et seq.), the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), the Clean Air Act (42 U.S.C. §7401 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Safe Drinking Water Act (42 U.S.C. §300f et seq.), the Emergency Planning and Community Right To Know Act of 1986 (42 USC §11001 et seq.), the Occupational Safety and Health Act, the North Carolina Waste Management Act (N.C. Gen. Stat. §130A-290 et seq.), the Oil Pollution and Hazardous Substances Control Act of 1978 (N.C. Gen. Stat. §143-215.75 et seq.), the Hazardous Materials and Hazardous Substances Act (Md. Env. Code Ann. §7-201 et seq.), and/or the Virginia Hazardous Waste Management Regulations (9 VAC 20-60-12 et seq.).

"Environmental Representations" means those representations of the Sellers contained in Section 7(t) relating to environmental, health and safety matters.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Estimated Purchase Price" means a good faith calculation of the Purchase Price (setting forth the GE Capital Debt, the Rice Partners Debt and a calculation of the Working Capital Adjustment Amount) which the Sellers shall cause to be prepared by the Chief Financial Officer of the Company and that shall be delivered to the Buyer at least five (5) days prior to the Closing.

"Final Purchase Price Calculation" means a calculation prepared by the Sellers' Representative and delivered to the Buyer with the Closing Date Balance Sheet and that computes the Purchase Price, including the Working Capital Adjustment Amount.

"GAAP" means United States Generally Accepted Accounting Principles at the time in effect.

"GE Capital Debt" means all indebtedness and obligations of the Company to General Electric Capital Corporation, including obligations for accrued interest and all fees, expenses and charges (including prepayment and breakage fees, expenses and charges), pursuant to the terms and conditions of the Company's credit facilities with General Electric Capital Corporation, as described in Section 7(n) of the Disclosure Schedule.

"Hart-Scott-Rodino Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Hazardous Substance" means any substance: the presence of which requires investigation or remediation under any Environmental, Health and Safety Requirements; or which is defined as a "hazardous waste," "hazardous substance," "hazardous material," toxic substance, special waste, regulated waste, pollutant or contaminant under any Environmental, Health and Safety Requirements; or which is identified under any Environmental, Health and Safety Requirements as toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes restricted or regulated by any governmental, quasi-governmental or regulatory authority, agency, department, commission, board, agency or instrumentality of the United States, any foreign country or any state or any political subdivision thereof; or without limitation which includes or contains gasoline, diesel fuel or other petroleum hydrocarbons or byproducts.

"Income Tax" means any federal, state, local or foreign Tax, including any interest, penalty or addition thereto and including franchise Taxes, measured by gross or net income.

"Income Tax Return" means any return, declaration, report, claim or refund, or information return or statement relating to Income Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Knowledge" means the actual knowledge that the Person indicated has (and, in the case of Sellers, shall be after due inquiry of Warren Paschal, Mark Patterson, John Passantino, Nollie Jones and Marc Brady) and, in the case of Rice Partners and Rice Brick shall mean the actual knowledge of Jeffrey P. Sangalis, in the case of CSI, shall mean the actual knowledge of Thomas F. Darden, and in the case of the Management Members shall mean the actual knowledge of the Management Member indicated.

"Lien" means any mortgage, deed of trust, deed to secure debt, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, security interest, easement or encumbrance, or other security agreement or arrangement of any kind or nature.

"Management Members Cherokee Interests" shall refer collectively to the Member Interests owned and held by the Management Members pursuant to the terms of the Operating Agreement, as referenced in Section 7(b) of the Disclosure Schedule. Reference to the Management Members Cherokee Interest held by any particular Management Member shall refer singularly to the Member Interest in the Company owned and held pursuant to the terms of the Operating Agreement by the particular Management Member indicated.

"Maryland Facility" means the brick manufacturing facility and properties referred to as the "Muirkirk Pit" and the "Buckeystown Mine" leased by CSI to the Company pursuant to the terms and conditions of the Maryland Facility Lease.

"Maryland Facility Lease" means the Lease Agreement dated June 27, 1996 between CSI, as landlord, and the Company, as tenant, relating to a certain brick manufacturing facility located at 7100 Muirkirk Road, Beltsville, Prince George's County, Maryland, and certain properties referred to therein as the "Muirkirk Pit" and the "Buckeystown Mine."

"Member" shall refer to any one of the Members of the Company, as the context may require.

"Member Interest" means the entire interest of a member in the Company and all rights relating thereto, as provided in the Operating Agreement.

"Members" shall refer collectively to Rice Brick, CSI and the Management Members.

"Multiemployer Plan" has the meaning set forth in ERISA §3(37).

"New Maryland Lease" means the operating Lease Agreement to be entered into at Closing between the Company, as Tenant, and Darden or his affiliate, as landlord, relating to the Maryland Facility, providing for (i) an initial term of five (5) years, with an option to renew for an additional five (5) year period at fair market value rents, (ii) an early termination right (after the first two years) during the term on 180 days notice with no termination fee payable, (iii) base rent for the first five years of $100,000, $100,000, $400,000, $500,000 and $600,000 respectively, (iv) a right of first refusal on the equipment in the event Buyer and its affiliates acknowledge in writing their intent to abandon the Maryland and Virginia markets at the time of termination of the lease, (v) no reclamation by the Company or CSI of mine sites inactive or abandoned as of the Closing Date (any such reclamation, if required, is to be performed by landlord) and appropriate reclamation by the Company of mine sites mined by the Company during the lease, (vi) the Maryland Facility to no longer be used as a brick manufacturing plant upon termination unless Buyer and its affiliates acknowledge in writing their intent to abandon such markets, and (vii) the landlord to waive all environmental and other claims against CSI and the Company relating to the Maryland Facility and arising out of the operations of CSI or the Company prior to Closing.

"New Raleigh Lease" means the operating Lease Agreement to be entered into at Closing between the Company, as Tenant, and Darden or his affiliate, as landlord, relating to the Company's Raleigh, North Carolina office, providing for (i) a term of five (5) years, (ii) base rent of $1 per year, and (iii) Tenant to pay property taxes, insurance premiums and ordinary maintenance.

"Nonessential Land" means the real estate owned by the Company and listed in Section 7(l)(iv) of the Disclosure Schedule.

"Nonoperating Land Leases" means collectively (a) the Lease Agreement between CSI, as landlord, and the Company dated June 27, 1996, relating to certain property in Richmond, Virginia, (b) the Lease Agreement between CSI, as landlord, and the Company dated June 27, 1996, relating to certain property in Prince George's County, Maryland, and (c) the Lease Agreement between CSI, as landlord, and the Company dated June 27, 1996, relating to certain property in Durham County, North Carolina.

"Operating Agreement" shall mean the Amended and Restated Limited Liability Company Agreement of the Company dated January 1, 1997, as amended by Amendment No. 1 to the Amended and Restated Limited Liability Company Agreement of the Company dated November 1, 1998.

"Percentage Interest" means the Percentage Interest applicable to the Member Interest held by each Member pursuant to the terms of the Operating Agreement. Such Percentage Interests are as set forth in Section 7(b) of the Disclosure Schedule.

"Permitted Encumbrances" means (a) liens in favor of General Electric Capital Corporation granted in connection with the credit facilities of the Company referenced in Section 7(n) of the Disclosure Schedule to be released at Closing, (b) mechanics', materialmen's and similar liens arising in the ordinary course of business for which the related payables are reflected on the Closing Date Balance Sheet, (c) liens for taxes or other governmental charges or levies not yet past due, and (d) zoning restrictions, rights-of-way, easements, licenses or other restrictions of record on the use of real estate or other minor irregularities in title thereto, so long as the same does not materially impair the current or currently intended use, value or marketability of such property or subject the Company to possible fines, penalties or injunction.

"Person" means an individual, a partnership, a corporation, an association, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency or political subdivision thereof).

"Purchase Price" has the meaning set forth in Section 2(d) below.

"Requisite Sellers" means Sellers owning, or who owned as of the Closing Date, Member Interests in the Company representing ninety percent (90%) or more of the Percentage Interests in the Company held by all Sellers, as set forth in Section 7(b) of the Disclosure Schedule. For this purpose, the Rice Cherokee Interest shall be deemed owned directly by Rice Partners and the CSI Cherokee Interest shall be deemed owned directly by Darden.

"Rice Brick Stock" means one hundred (100) shares of the common stock, par value $.01 per share of Rice Brick.

"Rice Cherokee Interest" means the Member Interest in the Company owned and held by Rice Brick pursuant to the terms of the Operating Agreement, as referenced in Section 7(b) of the Disclosure Schedule.

"Rice Partners Debt" means all indebtedness and obligations of the Company to Rice Partners, including obligations for accrued interest and all fees, expenses and charges (including prepayment and breakage fees, expenses and charges), pursuant to the terms and conditions of the Company's credit facilities with Rice Partners, as described in Section 7(n) of the Disclosure Schedule.

"Seller Tax Representations" shall mean the representations of Rice Partners contained in Section 4(b)(ix) and the representations of Darden contained in Section 5(b)(x) relating to certain tax matters.

"Sellers' Representative" shall mean and refer to Jeffrey P. Sangalis and Thomas F. Darden, who shall act by joint decision in such capacity, or such other Person as shall be designated as the Sellers' Representative in a writing executed at any time by the Requisite Sellers and delivered to the other Parties in compliance with the notification provisions of this Agreement.

"Tax Distributions" means all cash amounts to which the Members are entitled as distributions or otherwise pursuant to the Operating Agreement for the purpose of enabling the Members (or Darden, in the case of CSI) to satisfy their respective obligations for payment of Income Taxes arising from the Members' respective allocable shares of the Company's taxable income.

"Title Representations" means, with respect to Rice Partners, those representations of Rice Partners contained in Sections 4(a)(v), 4(b)(iii) and 4(b)(vi), with respect to Darden, those representations of Darden contained in Sections 5(a)(iv), 5(b)(iii) and 5(b)(vi), and with respect to each Management Member, those representations of the Management Members contained in Section 6(d) and 7(b).

"Working Capital Adjustment Amount" means either (a) the amount, if any, by which (i) Working Capital Target exceeds (ii) Closing Adjusted Working Capital, or (b) the amount, if any, by which (i) Closing Adjusted Working Capital exceeds (ii) Working Capital Target; provided, however, that if Closing Adjusted Working Capital is within $10,000 of Working Capital Target, the Working Capital Adjustment Amount shall be equal to zero ($0.00).

"Working Capital Target" means $10,395,435.

SECTION 2. Purchase Price of Stock and LLC Interests.

(a) Rice Brick Stock. Subject to the terms and conditions of this Agreement, the Buyer agrees to purchase the Rice Brick Stock from Rice Partners, and Rice Partners agrees to sell the Rice Brick Stock to the Buyer, for the consideration specified in Section 2(d) below.

(b) CSI Stock. Subject to the terms and conditions of this Agreement, the Buyer agrees to purchase the CSI Stock from Darden, and Darden agrees to sell the CSI Stock to the Buyer, for the consideration specified in Section 2(d) below.

(c) LLC Interests. Subject to the terms and conditions of this Agreement, Buyer hereby agrees to purchase from the Management Members, and the Management Members hereby agree to sell to the Buyer, the Management Members Cherokee Interests, for the consideration specified in Section 2(d) below.

(d) Purchase Price. The Buyer hereby agrees to pay an aggregate purchase price (the "Purchase Price") for the Rice Brick Stock, the CSI Stock and the Management Members Cherokee Interests equal to (i) Eighty One Million Dollars ($81,000,000), minus (ii) the sum of the GE Capital Debt and the Rice Partners Debt as of the Closing Date, and plus (if the Closing Adjusted Working Capital exceeds the Working Capital Target) or minus (if the Working Capital Target exceeds the Closing Adjusted Working Capital), as the case may be, (iii) the Working Capital Adjustment Amount. The Purchase Price shall be allocated among the Sellers as set forth on Exhibit A attached hereto. At the Closing, the Buyer shall pay the Estimated Purchase Price to the Sellers by wire transfer to the accounts specified by the Sellers, in the percentages of the Estimated Purchase Price for each Seller set forth on Exhibit A hereto, in accordance with their written instructions given at least two days prior to Closing. If the Purchase Price exceeds the Estimated Purchase Price, then such excess shall be payable by wire transfer by Buyer to the Sellers in accordance with the same written instructions as applicable to the Estimated Purchase

Price, unless otherwise specified in writing by the Sellers with respect to the additional amount payable to such Sellers.

(e) Final Purchase Price; Working Capital Adjustment.

(i) The Sellers' Representative shall cause to be prepared and shall deliver to the Buyer as promptly as is reasonably practicable but in any event within sixty (60) days of the Closing Date the Closing Date Balance Sheet and the Final Purchase Price Calculation. Seller shall deliver to Buyer its unofficial internal estimate of Closing Adjusted Working Capital and the Final Purchase Price Calculation as promptly as is reasonably practicable but in any event within thirty (30) days following Closing. The Buyer shall have thirty (30) days following delivery of the Closing Date Balance Sheet and the Final Purchase Price Calculation in which to review the Closing Date Balance Sheet and the Final Purchase Price Calculation and deliver to the Sellers' Representative a written statement of proposed adjustments to the Closing Date Balance Sheet and/or the Final Purchase Price Calculation (the "Buyer's Adjustment Request") setting forth (A) the amount of the proposed adjustments, (B) the item or items to which such proposed adjustments relate, and (C) the facts and circumstances supporting such adjustment. Buyer shall propose only those adjustments as it determines in good faith are appropriate. Buyer, on the one hand, and the Sellers' Representative, on the other hand, shall use their reasonable best efforts for fifteen (15) days after delivery of the Buyer's Adjustment Request to agree upon any adjustments to the Closing Date Balance Sheet and the Final Purchase Price Calculation proposed in the Buyer's Adjustment Request. Upon the expiration of such 15-day period, the Sellers' Representative, on the one hand, or the Buyer, on the other hand, may demand in writing that any or all disputes reflected in the Buyer's Adjustment Request be submitted for resolution to Arthur Andersen LLP or another independent certified public accounting firm of recognized national standing mutually agreeable to Buyer and Seller (such firm, the "Independent Accountants"). As promptly as practicable, but in no event later than fifteen (15) days after such demand, the Sellers' Representative, on the one hand, and the Buyer, on the other hand, shall deliver to the Independent Accountants written submissions supporting their respective positions with respect to such dispute. The decision of the Independent Accountants with respect to the Closing Date Balance Sheet, the Final Purchase Price Calculation and the Buyer's Adjustment Request, and any dispute relating thereto, shall be final and binding on the parties hereto and may be enforced as an arbitration award in any court of competent jurisdiction.

(ii) Each Party shall bear its own costs and expenses (including accountants' fees) incurred in connection with this Section 2(e), except that the costs and expenses of the Independent Accountants shall be borne equally by the Buyer and by the Sellers in accordance with their respective Allocable Portions of such costs and expenses. Company employees will be made reasonably available to assist Seller in the timely preparation of the Closing Date Balance Sheet. The Parties agree to cooperate with each other, and shall make books, records, information and personnel available as reasonably necessary, to enable the Closing Date Balance Sheet to be prepared and the Final Purchase Price Calculation to be made as provided in this Section 2(e). Promptly upon Buyer's request, Sellers shall provide Buyer and its accountants and agents with full access to all working papers, books, records, financial data and other documentation used in the preparation of the Closing Date Balance Sheet and the Final Purchase Price Calculation.

(iii) Within thirty (30) days of the final determination of the Purchase Price pursuant to this Section 2(e), either (A) if the Estimated Purchase Price exceeds the Purchase Price, then each Seller severally shall pay to the Company by certified or official bank check or wire transfer of immediately available funds, as directed by Buyer, such Sellers' Allocable Portion of such excess, or (B) if the Purchase Price exceeds the Estimated Purchase Price, then the Buyer shall pay to the Sellers such excess in accordance with their Allocable Portions thereof by wire transfer of immediately available funds in accordance with their written instructions, in either case, together with interest thereon from the Closing Date through the date such payment is made, at the prime lending rate of Bank of America, N.A., as in effect during such period. If any amount shall be payable by the Sellers pursuant to this Section 2(e), such amount shall not be subject to the Basket and shall not be applied to or reduce the Cap.

SECTION 3. Closing.

(a) General. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place as promptly as practicable at the offices ofSchell Bray Aycock Abel & Livingston PLLC, commencing at 9:00 a.m., local time, on a business day mutually agreeable to Buyer and Sellers' Representative that shall be not less than five (5) nor more than ten (10) days following the satisfaction or waiver of all conditions of the obligations of the parties to consummate the transactions contemplated hereby (other than conditions with respect to actions the respective Parties will take at the Closing itself) or such other date as the Buyer and the Requisite Sellers may mutually determine (the "Closing Date").

(b) Deliveries at the Closing. At the Closing, (i) the Sellers will deliver to the Buyer the various certificates, instruments and documents referred to in Section 11(a) below, (ii) the Buyer will deliver to the Sellers the various certificates, instruments and documents referred to in Section 11(b) below, (iii) Rice Brick will deliver to the Buyer stock certificates representing the Rice Brick Stock, endorsed in blank or accompanied by a duly executed stock power, (iv) CSI will deliver to the Buyer stock certificates representing the CSI Stock, endorsed in blank or accompanied by a duly executed stock power, (v) the Management Members will deliver to the Buyer instruments of transfer satisfactory to the Buyer transferring and assigning to the Buyer the Management Members Cherokee Interests, (vi) Buyer will deliver to the Sellers the Estimated Purchase Price in accordance with Section 2(d) above, and (vii) the Parties will take such other action as shall be necessary to consummate the transactions provided for herein in accordance with the terms and conditions hereof.

SECTION 4. Certain Representations and Warranties of Rice Partners. Rice Partners represents and warrants to the Buyer that, except as set forth in the Disclosure Schedule:

(a) Regarding Rice Partners.

(i) Organization. Rice Partners is a limited partnership, duly organized, validly existing and in good standing under the laws of the State of Delaware.

(ii) Authorization of Transaction. Rice Partners has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Rice Partners, enforceable against it in accordance with its terms and conditions. Rice Partners does not need to give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or

governmental agency or any other Person in order for the Parties to consummate the transactions contemplated by this Agreement.

(iii) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (A) to the Knowledge of Rice Partners, violate any statute, regulation or rule of any government or governmental agency to which Rice Partners is subject, or (B) violate any injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which Rice Partners is subject, or (C) violate or conflict with any provision of its certificate of limited partnership or its limited partnership agreement, or (D) materially conflict with, result in a material breach of, constitute a material default under, or require any notice or consent (with or without due notice or lapse of time or both) under, or result in the acceleration of (or entitle any party to accelerate) any obligation under, or give rise to the creation of any Lien upon the assets of the Company under, any agreement, contract, instrument or other arrangement to which Rice Partners is a party.

(iv) Brokers' Fees. Rice Partners has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which the Buyer or the Companies could become liable or obligated.

(v) Rice Brick Stock. Rice Partners is the sole record and beneficial owner of the Rice Brick Stock, free and clear of any Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims. There is no outstanding or authorized option, warrant, purchase right or other contract or commitment that could require Rice Partners to sell, transfer or otherwise dispose of any of the Rice Brick Stock (other than this Agreement). Rice Partners is not a party to any voting trust, proxy or other agreement or understanding with respect to the voting of any capital stock of Rice Brick. Upon payment for the Rice Brick Stock as herein provided, Buyer shall obtain good and valid title to the Rice Brick Stock, free and clear of any Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims.

(b) Regarding Rice Brick.

(i) Organization. Rice Brick is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(ii) Authority. Rice Brick has full corporate power and authority to carry on the business in which it is engaged and to own and exercise rights of ownership in respect of the assets owned by it, including the Rice Cherokee Interest.

(iii) Capitalization. The entire authorized capital stock of Rice Brick consists of 1,000 shares of common stock, par value $.01 per share. The Rice Brick Stock constitutes the only issued and outstanding capital stock of Rice Brick. The Rice Brick Stock has been duly authorized and is validly issued, fully paid and nonassessable and is held of record by Rice Partners. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments of any kind that could require Rice Brick to issue, sell or otherwise cause to become outstanding any of its capital stock or securities convertible or exchangeable into its capital stock.

(iv) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (A) to the knowledge of Rice Partners, violate any statute, regulation or rule of any government or governmental agency to which Rice Partners is subject, (B) violate any injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which Rice Brick is subject, or any provision of its corporate charter or bylaws, or (C) materially conflict with, result in a material breach of, constitute a material default (with or without due notice or lapse of time or both) under, or require any notice or consent under, or result in the acceleration of (or entitle any party to accelerate) any obligation under, or give rise to the creation of any Lien upon the assets of the Company under, any agreement, contract, instrument or other arrangement to which Rice Brick is a party. Rice Brick does not need to give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or governmental agency or any other Person in order for the Parties to consummate the transactions contemplated by this Agreement.

(v) Brokers' Fees. Rice Brick has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which the Buyer or the Companies could become liable or obligated.

(vi) Sole Asset. Except for prepaid Taxes and such cash as may be distributed to Rice Brick by the Company, the Rice Cherokee Interest constitutes, and since Rice Brick's organization has constituted, the sole asset of Rice Brick. Rice Brick has engaged in no business or activities since its organization other than ownership of the Rice Cherokee Interest. Rice Brick is the sole record and beneficial owner of the Rice Cherokee Interest free and clear of any Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims. There is no option, warrant, purchase right or other contract or commitment that could require Rice Brick to sell, transfer or otherwise dispose of the Rice Cherokee Interest (other than this Agreement). Rice Brick is not a party to any voting trust, proxy or other agreement or understanding with respect to exercise of voting rights in respect of the Rice Cherokee Interest.

(vii) Financial Statements. Attached hereto as Exhibit B are the following financial statements (collectively, the "Rice Brick Financial Statements"): unaudited balance sheet and statements of income and cash flows as and for the fiscal year ended October 31, 1999. The Rice Brick Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby and present fairly the financial condition of Rice Brick as of such dates and the results of operations of Rice Brick for such periods, except that the Rice Brick Financial Statements lack footnotes. The unaudited balance sheet of Rice Brick dated October 31,, 1999, as included within the Rice Brick Financial Statements, is referred to herein as the "Most Recent Rice Brick Balance Sheet."

(viii) No Undisclosed Liabilities. Rice Brick does not have any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due, including any liability for Taxes), except for (A) liabilities reflected or disclosed in the Most Recent Rice Brick Balance Sheet, and (B) liabilities for Income Taxes attributable to the operations of the Company subsequent to the date of the Most Recent Rice Brick Balance Sheet and prior to the Closing Date, all of which liabilities existing on the Closing Date shall be

deemed to be current liabilities and accrued on the Closing Date Balance Sheet for purposes of the Adjusted Working Capital calculation.

(ix) Tax Matters. "Taxes" shall mean any tax (including without limitation income, excise, property, sales, transfer, use, license, franchise, withholding, social security, unemployment or any other kind of tax or payment in lieu of tax, however denominated), or any assessment, levy or other governmental charge in the nature of a tax, and shall include all interest, penalties and fines with respect thereto, imposed by any federal, state, local or foreign government taxing authority. "Tax Returns" shall mean all tax returns, notices, estimates, information statements and reports of any nature relating to or required to be filed in connection with any Taxes. All required federal, state, local and other Tax Returns relating to, or involving transactions with, or required to be filed by, Rice Brick have been accurately prepared in all material respects and duly and timely filed, and all Taxes required to be paid with respect to the periods covered by any such returns have been timely paid. Rice Brick does not have and will not have any additional liability for Taxes with respect to any such Tax Return heretofore filed or required to be filed or any such period covered thereby. All Taxes of Rice Brick have been properly accrued on the Most Recent Rice Brick Balance Sheet and will be accrued as current liabilities on the Closing Date Balance Sheet for purposes of the Adjusted Working Capital calculation. No tax deficiency has been proposed or assessed against Rice Brick, and Rice Brick has not executed or been requested to execute any waiver of any statute of limitations on the assessment or collection of any tax. There is no tax audit, action, suit, proceeding, investigation or claim now pending or, to the Knowledge of Rice Partners, threatened against Rice Brick, and no issue or question has been raised (and is currently pending) by any taxing authority in connection with any of Rice Brick's Tax Returns or reports. Rice Brick is not a party to any Tax sharing agreement or arrangement.

(x) Contracts. Rice Brick is not a party to any written or oral contract or other agreement or commitment that will require any payment by Rice Brick in any amount or the performance by Rice Brick of any obligation.

(xi) Litigation. Rice Brick is not a party or, to the Knowledge of Rice Partners, threatened to be made a party, to any action, suit, proceeding, hearing or investigation of, in or before any arbitrator or court or administrative agency.

(xii) Employees. Rice Brick does not have and has never had any employees.

(xiii) Securities. The Rice Brick Stock has not been issued or sold in violation of any federal or state securities or blue sky laws, rules or regulations.

SECTION 5. Certain Representations and Warranties of Darden. Darden represents and warrants to the Buyer that, except as set forth in the Disclosure Schedule:

(a) Regarding Darden.

(i) Authority. Darden has the full legal right to execute and deliver this Agreement and to perform his obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Darden, enforceable against Darden in accordance with its terms.

(ii) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (A) to the Knowledge of Darden, violate any statute, regulation or rule of any government or governmental agency to which Darden is subject, or (B) violate any injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which Darden is subject, or (C) materially conflict with, result in a material breach of, constitute a material default (with or without due notice or lapse of time or both) under, or require any notice or consent under, or result in the acceleration of (or entitle any party to accelerate) any obligation under, or give rise to the creation of any Lien upon the assets of the Company under, any agreement, contract, instrument or other arrangement to which Darden is a party. Darden does not need to give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or governmental agency or any other Person in order for the Parties to consummate the transactions contemplated by this Agreement.

(iii) Brokers' Fees. Darden has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which the Buyer or the Companies could become liable or obligated.

(iv) CSI Stock. Darden is the sole record and beneficial owner of the CSI Stock, free and clear of any Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims. There is no option, warrant, purchase right or other contract or commitment that could require Darden to sell, transfer or otherwise dispose of any of the CSI Stock (other than this Agreement). Darden is not a party to any voting trust, proxy or other agreement or understanding with respect to the voting of any capital stock of CSI. Upon payment for the CSI Stock as herein provided, Buyer shall obtain good and valid title to the CSI Stock, free and clear of any Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims.

(b) Regarding CSI.

(i) Organization. CSI is a corporation duly organized, validly existing and in good standing under the laws of the State of North Carolina. CSI was incorporated in February, 1988.

(ii) Authority. CSI has full corporate power and authority to carry on the business in which it is engaged and to own and exercise rights of ownership in respect of the assets owned by it, including the CSI Cherokee Interest and the Maryland Facility. CSI is qualified or licensed to do business and is in good standing in each jurisdiction in which the ownership or leasing of property by it or the the conduct of its business require such licensing or qualification.

(iii) Capitalization. The entire authorized capital stock of CSI consists of 200,000,000 shares of common stock, par value $.01 per share. The CSI Stock constitutes the only issued and outstanding capital stock of CSI. The CSI Stock has been duly authorized and is validly issued, fully paid and nonassessable and is held of record by Darden. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments of any kind that could require CSI to issue, sell or otherwise cause to become outstanding any of its capital stock or securities convertible or exchangeable into its capital stock.

(iv) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) to the knowledge of Darden, violate any statute, regulation or rule of any government or governmental authority to which CSI is subject, (ii) violate any injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which CSI is subject, or any provision of its corporate charter or bylaws, or (iii) materially conflict with, result in a material breach of, constitute a material default (with or without due notice or lapse of time or both) under, or require any notice or consent under, or result in the acceleration of (or entitle any party to accelerate) any obligation under, or give rise to the creation of any Lien upon the assets of the Company under, any agreement, contract, instrument or other arrangement to which CSI is a party. CSI does not need to give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or governmental agency or any other Person in order for the Parties to consummate the transactions contemplated by this Agreement.

(v) Brokers' Fees. CSI has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which the Buyer or the Companies could become liable or obligated.

(vi) CSI Cherokee Interest. CSI is the sole record and beneficial owner of the CSI Cherokee Interest free and clear of any Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims. There is no option, warrant, purchase right or other contract or commitment that could require CSI to sell, transfer or otherwise dispose of the CSI Cherokee Interest (other than this Agreement). CSI is not a party to any voting trust, proxy or other agreement or understanding with respect to exercise of voting rights in respect of the CSI Cherokee Interest.

(vii) Sole Assets. As of the Closing, the CSI Cherokee Interest will constitute the sole asset of CSI.

(viii) Financial Statements. Attached hereto as Exhibit C are the unaudited balance sheets of CSI as of October 31, 1999 and October 31, 1998 (the "CSI Balance Sheets"). The CSI Balance Sheets (including the notes thereto) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby and present fairly the financial condition of CSI as of such date. The unaudited balance sheet of CSI as of October 31, 1999 is referred to herein as the "Most Recent CSI Balance Sheet".

(ix) No Undisclosed Liabilities. CSI does not have any liability whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due, including any liability for income or other Taxes of any kind, except, at the date hereof but not at Closing, for liabilities as lessor under the Maryland Facility Lease.

(x) Tax Matters. CSI has elected to be an "S corporation" pursuant to Section 1362(a) of the Code, effective February 1, 1989, and such election has at all times remained in effect. CSI has elected (and such election has at all times remained in effect), or is otherwise entitled, to be treated in a manner comparable to the federal tax treatment under Section 1362(a) of the Code for purposes of the tax imposed on a corporation by the State of North Carolina and in each other jurisdiction in which it is required to file an Income Tax Return. No action has been taken by Darden or CSI which has resulted, or will result, in the termination of the status of

CSI as an "S corporation" pursuant to Section 1362(a) of the Code, or any comparable status with respect to any other jurisdiction. All required federal, state, local and other Tax Returns, notices and reports (including without limitation income, property, sales, use, franchise, withholding, social security and unemployment tax returns) relating to, or involving transactions with, or required to be filed by, CSI have been accurately prepared and duly and timely filed, and all Taxes required to be paid with respect to the periods covered by any such returns have been timely paid. CSI does not have and will not have any additional liability for Taxes with respect to any such Tax Return heretofore filed or required to be filed or any such period covered thereby. All Taxes have been properly accrued on the Most Recent CSI Balance Sheet. No tax deficiency has been proposed or assessed against CSI, and CSI has not executed or been requested to execute any waiver of any statute of limitations on the assessment or collection of any tax. There is no tax audit, action, suit, proceeding, investigation or claim now pending or, to the Knowledge of Darden, threatened against CSI, and no issue or question has been raised (and is currently pending) by any taxing authority in connection with any of CSI's tax returns or reports.

(xi) Contracts. CSI is not a party to any written or oral contract or other agreement or commitment that will require any payment by CSI in any amount or the performance by CSI of any obligation.

(xii) Litigation. CSI is not a party or, to the Knowledge of Darden, threatened to be made a party, to any action, suit, proceeding, hearing or investigation of, in or before any arbitrator or court or administrative agency.

(xiii) Employees. CSI does not have and has not had any employees since June 27, 1996 (the date of organization of the Company).

SECTION 6. Certain Representations and Warranties of the Management Members. Each of the Management Members represents and warrants to the Buyer that, except as set forth in the Disclosure Schedule:

(a) Authority. Such Management Member has the full legal right to execute and deliver this Agreement and to perform his obligations hereunder. This Agreement constitutes the valid and legally binding obligation of such Management Member, enforceable against such Management Member in accordance with its terms. Such Management Member does not need to give any notice to, make any filing with, or obtain any authorization, consent or other approval of any government or governmental agency or any other Person in order to consummate the transactions contemplated by this Agreement.

(b) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) to the Knowledge of such Management Member, violate any statute, regulation or rule of any government, governmental agency to which such Management Member is subject, (ii) violate any injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which such Management Member is subject, or (iii) conflict with, result in a breach of, constitute a default (with or without due notice or lapse of time or both) under, or require any notice or consent under, or result in the acceleration of (or entitle any party to accelerate) any obligation under, or give rise to the creation of any Lien upon the assets of the Company under, any agreement, contract, instrument or other arrangement to which such Management Member is a party.

(c) Brokers' Fees. Such Management Member has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which the Buyer or the Companies could become liable or obligated.

(d) Management Members Cherokee Interests. Such Management Member is the sole record and beneficial owner the Management Members Cherokee Interest shown on Section 7(b) of the Disclosure Schedule as held by him free and clear of all Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims. There is no option, warrant, purchase right or other contract or commitment that could require such Management Member to sell, transfer or otherwise dispose of the Management Members Cherokee Interest held by such Management Member (other than this Agreement). Such Management Member is not a party to any voting trust, proxy or other agreement or understanding with respect to exercise of voting rights in respect of the Management Members Cherokee Interest held by such Management Member. Upon payment for the Management Members Cherokee Interest as herein provided, Buyer shall obtain good and valid title to the Management Members Cherokee Interest, free and clear of any Liens, restrictions on transfer, taxes, options, warrants, purchase rights, contracts, commitments, equities or claims.

SECTION 7. Representations and Warranties Concerning the Company. The Sellers represent and warrant to the Buyer that the statements contained in this Section 7 are correct and complete as of the date of this Agreement and as of the Closing Date, except as set forth in the Disclosure Schedule:

(a) Organization, Qualification and Power. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company is duly authorized, qualified or licensed to do business and is in good standing as a foreign limited liability company in the States of Maryland, North Carolina, South Carolina and Virginia. The Company is not required to be authorized, licensed or qualified to do business in any other jurisdiction except in such jurisdictions where the failure to be so authorized, licensed or qualified is not material. The Company has full limited liability company power and authority to carry on the business in which it is engaged and to own and use the properties owned and used by it. Section 7(a) of the Disclosure Schedule lists the current officers of the Company.

(b) Ownership. The Members constitute the sole members of the Company. The Members own and hold their respective Member Interests pursuant to the terms and conditions of the Operating Agreement, which Member Interests constitute all of the limited liability company interests or other equity interests (whether or not such equity interests have voting rights) in the Company. The Percentage Interests represented by the Rice Cherokee Interest, the CSI Cherokee Interest and the Management Members Cherokee Interests are as set forth in Section 7(b) of the Disclosure Schedule. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights or other contracts or commitments that could require the Company to issue, sell or otherwise cause to become outstanding any Member Interest or other equity interest in the Company or any security convertible or exchangeable into any Member Interest or other equity interest in the Company.

(c) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which the Company is subject, or any provision of its

Certificate of Formation or Operating Agreement, or (ii) except as set forth on the Disclosure Schedule, conflict with, result in a breach of, constitute a default (with or without due notice or lapse of time or both) under, or require any notice or consent under, or result in the acceleration of (or entitle any party to accelerate) any obligation under, or give rise to the creation of any Lien upon the assets of the Company under, any agreement, contract, instrument or other arrangement to which the Company is a party or by which it is bound or to which any of its assets is subject. Except as set forth on the Disclosure Schedule, the Company does not need to give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or governmental agency or any other Person in order for the Parties to consummate the transactions contemplated by this Agreement.

(d) Brokers' Fees. The Company does not have any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

(e) Title to Assets. The Company has good and marketable title to, or a valid leasehold interest in, the properties and assets used by it or shown on the Most Recent Fiscal Month End Balance Sheet included in the Most Recent Financial Statements or acquired after the date thereof, free and clear of all Liens other than Permitted Encumbrances, except for properties and assets disposed of in the ordinary course of business or as permitted by this Agreement since the date of the Most Recent Fiscal Month End Balance Sheet included in the Most Recent Financial Statements. From and after the Closing, the Company will have good and marketable title to, or a valid leasehold interest in, all properties and assets used in the conduct of the Company business as currently conducted, except that the Company shall have mining rights with respect to those parcels of Nonessential Land that Section 7(l)(iv) of the Disclosure Schedule indicates will be conveyed subject to mining rights.

(f) Investments in Other Entities. The Company does not have any direct or indirect ownership interest in any other business or entity.

(g) Financial Statements. Attached hereto as Exhibit D are the following financial statements (collectively, the "Company Financial Statements"): (i) audited consolidated balance sheets and statements of income, changes in members' equity and cash flow as and for the fiscal years ended October 31, 1997, October 31, 1998, and October 31, 1999 (the "Most Recent Fiscal Year End") for the Company; and (ii) unaudited balance sheets and statements of income, changes in members' equity and cash flow (the "Most Recent Financial Statements") as and for the one month ended November 30, 1999 (the "Most Recent Fiscal Month End") for the Company. The Company Financial Statements (including the notes thereto) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby and present fairly the financial condition of the Company as of such dates and the results of operations of the Company for such periods; provided, however, that the Most Recent Financial Statements are subject to normal year-end adjustments and lack footnotes and other presentation items.

(h) Undisclosed Liabilities. The Company does not have any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due, including any liability for Taxes), except for (A) liabilities accrued or disclosed in the Most Recent Fiscal Year End Balance Sheet, (B) liabilities which have arisen in the ordinary course of business since

October 31, 1999, (C) liabilities specifically disclosed in this Agreement or in any Section of the Disclosure Schedule, and (D) contractual liabilities and obligations under the contracts set forth on Sections 7(l)(ii) and 7(n) of the Disclosure Schedule and other non-material contracts entered into in the ordinary course of business (other than liabilities and obligations arising out of a violation or breach of any such contract by the Company existing at Closing). Other than the Rice Partners Debt and the GE Capital Debt, the Company does not owe to any Person any indebtedness for borrowed money (long term or short term), any indebtedness evidenced by bonds, notes, debentures or similar instruments, or any other long term debt.

(i) Events Subsequent to Most Recent Fiscal Year End. Since October 31, 1999, there has not been any material adverse change in the financial condition, results of operations or business of the Company (determined without regard to developments in the industry generally) provided that the following shall not be deemed to be a material adverse effect upon the Company: (1) the inability of Buyer to reach an agreement with any of the Seller's employees (other than the Management Members with respect to their employment by the Company for a period of ninety days following Closing) regarding their employment by Buyer after the Closing or the resignation of any of the Seller's employees (other than Management Members) prior to the Closing, (2) any change in Seller's relations with or any actual or projected decrease in dollar sales to any of its customers or (3) industry wide developments affecting the brick and/or building products industries as a whole (e.g. a down turn in housing starts, extended adverse weather conditions, ordinary fluctuations in interest rates), other than extraordinary developments of unusual nature and infrequent occurrence. Without limiting the generality of the foregoing, since that date the Company has not engaged in any practice, taken any action or entered into any transaction outside the ordinary course of business, except as permitted by Sections 9(c) or 13 of this Agreement. Without limiting the generality of the foregoing, except as permitted by said Sections 9(c) or 13 or as set forth on Section 7(i) of the Disclosure Schedule, since that date there has not been (i) any declaration, setting aside or payment of any dividend or other distribution (whether in cash, stock, other equity interests, or property or combination thereof or otherwise) with respect to the Member Interests or other equity interests of the Company, (ii) any purchase, redemption, issue, sale, pledge, encumbrance or other acquisition or disposition by the Company of any Member Interests or other equity interests of the Company, (iii) any material transaction with any of Sellers or their Affiliates, including without limitation any incurrence or payment of any liability or obligation between the Company and any such entity or affiliate, (iv) any sale, lease, license, encumbrance or other transfer or disposition of any assets or properties of the Company having a fair market value in excess of $25,000 or any other material assets or properties of the Company (either singly or in the aggregate) other than inventory in the ordinary course of business, (v) any forgiveness or cancellation of any debts or claims, other than payments and borrowings under the GE Capital Debt, or, except in the ordinary course of business, any discharge or satisfaction of any Lien or payment of any liability or obligation, of the Company, (vi) any creation or assumption of indebtedness for money borrowed or other indebtedness evidenced by bonds, notes, debentures or similar instruments or other long term liabilities, or (other than extending credit to customers in the ordinary course of business) any making of loans, advances or capital contributions, other than payments and borrowings under the GE Capital Debt or routine expense advancements to employees, (vii) any material change or increase in the rate or terms of compensation (including termination and severance) or benefits payable or to become payable by the Company to its respective directors, officers, employees or agents, other than annual increases in the ordinary course of business which shall be reasonably acceptable to Buyer, (viii) any material damage, destruction or loss to

the properties or assets owned, leased or used by the Company, whether or not covered by insurance, (ix) any material change by the Company in its financial or tax accounting principles or methods, (x) any acquisition (by merger, consolidation or acquisition of stock, other equity interests or assets) by the Company of any Person or division or significant assets thereof, or (xi) any change, amendment or modification to the Certificate of Formation or Operating Agreement of the Company except for amendments to the Operating Agreement of the Company which shall have been reasonably acceptable to Buyer, or (xii) any agreement, undertaking or commitment to do any of the foregoing.

(j) Legal Compliance. The Company has complied with all applicable laws (including rules and regulations promulgated thereunder) of federal, state and local governments (and all agencies thereof), except where the failure to comply would not have a material adverse effect upon the financial condition, results of operations or business of the Company.

(k) Taxes. The Company is duly qualified and has been treated as a partnership for federal income tax purposes for each taxable year of the Company until the Closing. All required federal, state, local and other Tax Returns, notices and reports (including without limitation income, property, sales, use, franchise, withholding, social security and unemployment tax returns) relating to, or involving transactions with, or required to be filed by, the Company have been accurately prepared and duly and timely filed, and all Taxes required to be paid with respect to the periods covered by any such returns have been timely paid. The Company does not have and will not have any additional liability for Taxes with respect to any such Tax Return heretofore filed or required to be filed or any such period covered thereby. All Taxes have been properly accrued on the Most Recent Fiscal Month End Balance Sheet and will be properly accrued as current liabilities on the Closing Date Balance Sheet. No tax deficiency has been proposed or assessed against the Company, and the Company has not executed or been requested to execute any waiver of any statute of limitations on the assessment or collection of any tax. There is no tax audit, action, suit, proceeding, investigation or claim now pending or, to the Knowledge of the Sellers, threatened against the Company and no issue or question has been raised (and is currently pending) by any taxing authority in connection with any of the Company's tax returns or reports. The Company has withheld or collected from each payment made to each of its employees the full amount of all Taxes required to be withheld or collected therefrom and has paid the same to the proper tax receiving officers or authorized depositories.

(l) Real Property .

(i) Section 7(l)(i) of the Disclosure Schedule lists all real property owned by the Company, other than the Nonessential Land. With respect to each such parcel of owned real property and the improvements thereon:

(A) the Company has good and marketable title in fee simple absolute to, and is in peaceable possession of, the parcel of real property and improvements thereon, free and clear of any Lien, covenant or other restriction, other than Permitted Encumbrances;

(B) there are no leases, subleases, licenses, concessions or other agreements granting to any other party the right of use or occupancy of any portion of the parcel of real property and improvements thereon;

(C) there are no outstanding options or rights of first refusal to purchase the parcel of real property or any portion thereof or interest therein; and

(D) the Company has a title insurance policy with respect to such parcel and has delivered to the Buyer an accurate, correct and complete copy of all existing title insurance policies, title reports and surveys with respect to such parcel.

(ii) Section 7(l)(ii) of the Disclosure Schedule lists all real property leased or subleased to or by the Company. The Sellers have delivered to the Buyer correct and complete copies of the leases and subleases listed in Section 7(l)(ii) of the Disclosure Schedule (as amended to date). To the Knowledge of the Sellers, each lease and sublease listed in Section 7(l)(ii) of the Disclosure Schedule is legal, valid, binding, enforceable and in full force and effect. The Company has been in peaceable possession of such leased real property since the commencement date of the original term of such leases. CSI has title insurance policies with respect to the Maryland Facility and has delivered to the Buyer accurate, correct and complete copies of all existing title insurance policies, title reports and surveys with respect to such leased real property.

(iii) With respect to each such parcel of real property listed on Schedules 7(l)(i) and 7(l)(ii) and the improvements thereon:

(A) neither the whole nor any portion of such parcel or improvements has been condemned, requisitioned or otherwise taken by any public authority, and no notice of any such condemnation, requisition or taking has been received by the Company or, to Sellers knowledge, the lessor thereof. To the best knowledge of the Sellers, no such condemnation, requisition or taking is threatened or contemplated;

(B) it is in material compliance with all applicable laws, has all licenses, certificates of occupancy, permits, consents and authorizations required to utilize such parcel and improvements for the purposes for which it is currently being used, and does not rely on any facilities located on any property not constituting part of such parcel (1) to fulfill any zoning, building code or any other municipal governmental requirement, including, without limitation, any currently used access and egress to and from the parcel, or (2) for structural support or the furnishing of any essential building systems utilities, including plumbing and sanitary sewer; and

(C) all water, sewer, gas, electricity, telephone and other utilities required for the Company's business at the parcel are connected and in service, enter the parcel through open public streets adjoining such property, or, if they pass through adjoining private land do so in accordance with the valid public easements or private easements which inure the benefit of the Company, and no utility lines cross the parcel to serve any other property.

(iv) Section 7(l)(iv) of the Disclosure Schedule lists the Nonessential Land. Except for Nonessential Land as to which mining rights will be granted to or retained by the Company as contemplated by Section 9(c) hereof, the Nonessential Land is not used in or necessary to the operations of the Company as presently conducted.

(v) With respect to the Maryland Facility, the Company has, and from and after the Closing will have, adequate access and rights of way from the brick manufacturing plant to and from all other parcels of real property constituting a part of the Maryland Facility for

purposes of transporting raw materials from such properties to the brick manufacturing plant, subject to the effects of any future condemnation, requisition or taking by any public authority.

(m) Intellectual Property Rights. Section 7(m) of the Disclosure Schedule lists all patents, trademarks, service marks, trade names and copyrights, and all applications for and licenses (to and from the Company) with respect to any of the foregoing (collectively, "Intellectual Property"), owned by the Company or with respect to which the Company has any rights, including, if registered, the office, date and number of such registration. The Company has the sole and exclusive right to use all Intellectual Property and all computer software and software licenses, intellectual property, proprietary information, trade secrets, trademarks, trade names, copyrights, material and manufacturing specifications, drawings and designs (collectively, "Intellectual Property") used by the Company in connection with its business, without infringing on or otherwise acting adversely to the rights or claimed rights of any other Person, and the Company is not obligated to pay any royalty or other consideration to any Person in connection with the use of any such Intellectual Property. To the Knowledge of the Sellers, no other Person is infringing the rights of the Company in any of its Intellectual Property.

(n) Certain Contracts. Section 7(n) of the Disclosure Schedule lists the following contracts and other agreements to which the Company is a party:

(i) any agreement (or group of related agreements) for the lease of equipment or other personal property to or from any Person providing for lease payments in excess of $25,000 per annum;

(ii) any agreement (or group of related agreements) for the purchase or sale of raw materials, commodities, supplies, products or other personal property, or for the furnishing or receipt of services, the performance of which will extend over a period of more than one year or involve consideration in excess of $50,000 per annum;

(iii) any agreement (or group of related agreements) under which the Company created, incurred, assumed or guaranteed any indebtedness for borrowed money (including all promissory notes), or any capitalized lease obligation, or any other guaranty or surety obligation, in excess of $25,000, or under which it has imposed a Lien on any of its assets, tangible or intangible;

(iv) any agreement with any of the Sellers or their affiliates;

(v) any agreement containing any indemnification obligation in excess of $25,000;

(vi) any noncompetition agreement restricting the ability of the Company to transact business;

(vii) any collective bargaining agreement;

(viii) any agreement for the employment of any individual on a full-time, part-time, consulting or other basis providing annual compensation in excess of $50,000 or providing material severance benefits; or

(ix) any other agreement (or group of related agreements) the performance of which involves consideration (contingent or otherwise) in excess of $50,000 per annum or which is not cancellable without payment or penalty on 90 days or less notice.

The Sellers have made available to the Buyer a correct and complete copy of each written agreement listed in Section 7(n) of the Disclosure Schedule (as amended to date). With respect to each such agreement, to the Knowledge of the Sellers (A) the agreement is legal, valid, binding and enforceable and in full force and effect, (B) no party is in material breach or default thereunder, and (C) no party has repudiated any material provision of the agreement.

(o) Accounts Receivable. All accounts and notes receivable of the Company have arisen in the ordinary course of the Company's business and are reflected properly on its books and records. The reserve for bad debts set forth on the face of the Most Recent Balance Sheet has been properly established in accordance with GAAP consistently applied.

(p) Inventory. The inventory of the Company is in good and merchantable condition and is usable or salable in the ordinary course of business of the Company for the purpose for which it was procured or manufactured, subject, however, to the reserves for slow-moving, obsolete, damaged or defective inventory that are set forth in the Financial Statements, which reserves have been established in accordance with GAAP consistently applied.

(q) Litigation. Section 7(q) of the Disclosure Schedule sets forth each instance in which the Company (i) is subject to any outstanding injunction, judgment, order, decree, ruling, stipulation, consent order or charge, or (ii) is a party or, to the Knowledge of any of the Sellers, is threatened to be made a party, to any claim, charge, action, suit, proceeding, hearing or investigation of, in or before any court or by any quasi-judicial or administrative agency of any federal, state or local jurisdiction or before any arbitrator (other than claims, charges, actions, suits or proceedings arising in the ordinary course of business seeking money damages only (and not injunctive or other equitable relief) in amounts less than $10,000 individually). The Company has not entered into any agreement to settle or compromise any proceeding pending or threatened against it which has involved any obligation other than the payment of money and for which the Company has a continuing obligation.

(r) Employee Matters. The Company is not a party to or bound by any collective bargaining agreement, nor has it experienced any strike or material grievance, claim of unfair labor practices or other collective bargaining dispute within the past three years. The Company has not committed any material unfair labor practice. To the Knowledge of the Sellers, there is ~~not~~ no organizational effort presently being made or threatened by or on behalf of any labor union with respect to any of the employees of the Company.

(s) Employee Benefits. Section 7(s)(i) of the Disclosure Schedule lists each Employee Benefit Plan that the Company maintains or to which the Company contributes.

(i) To the Knowledge of the Sellers, each such Employee Benefit Plan (and each related trust, insurance contract or fund) complies in form and in operation in all material respects with all of the applicable requirements of ERISA and the Internal Revenue Code.

(ii) All contributions (including all employer contributions and employee salary reduction contributions) which are due have been paid to each such Employee Benefit Plan which is an Employee Pension Benefit Plan.

(iii) Each such Employee Benefit Plan which is an Employee Pension Benefit Plan has received a favorable determination letter from the Internal Revenue Service to the effect that it meets the requirements of Code §401(a).

(iv) As of the last day of the most recent prior plan year, the market value of assets under each such Employee Benefit Plan which is an Employee Pension Benefit Plan equaled or exceeded the present value of liabilities thereunder (determined in accordance with then current funding assumptions).

(v) The Sellers have delivered to the Buyer correct and complete copies of the plan documents and summary plan descriptions, the most recent determination letter received from the Internal Revenue Service, the two most recent Form 5500 Annual Reports, and all related trust agreements, insurance contracts and other funding agreements which implement each such Employee Benefit Plan.

(vi) With respect to each Employee Benefit Plan that the Company maintains or has maintained, or to which it contributes or has been required to contribute, no action, suit, proceeding, hearing or investigation with respect to the administration or the investment of the assets of any such Employee Benefit Plan (other than routine claims for benefits) is pending.

(vii) the Company does not have any liability, including any withdrawal liability (as defined in ERISA §4201), under any Multiemployer Plan, nor does the Company participate in or contribute to any other Employee Benefit Plan which assesses a penalty or requires a payment in the event of a full or partial withdrawal from participation or contribution. For the past five years, the Company has had no obligation to participate in or contribute to any Multiemployer Plan.

(viii) No payments under any employment agreement or any other agreement will become payable as a consequence of this transaction. Buyer acknowledges that the Company may have severance obligations as stated in those contracts with the Management Members, and amendments thereto, set forth on Section 7(n) of the Disclosure Schedule, which contracts shall survive the Closing as obligations of the Company.

(ix) The Company has never been required to be treated as a single employer with any other person or entity under Section 4001 of ERISA or Section 414(b), (c), (m) or (o) of the Code, nor has the Company ever been a member of an "affiliated service group" within the meaning of Section 414(m) of the Code.

(t) Environmental, Health and Safety Matters.

(i) The Companies have complied and are in compliance with all Environmental, Health and Safety Requirements.

(ii) Without limiting the generality of the foregoing, the Companies have obtained and hold, and have complied in all material respects and each is in compliance in all

material respects with, all permits, licenses and other authorizations that are required pursuant to Environmental, Health and Safety Requirements for the occupation of its facilities and the operation of its business. A list of all such permits, licenses and other authorizations is set forth in Section 7(t)(ii) of the Disclosure Schedule. All such permits, licenses and authorizations are in full force and effect and (x) no notice to, filing with, or authorization, consent or approval of, any Person is necessary in order to consummate the transactions contemplated hereby or to continue the effectiveness of all such permits and other governmental authorizations following the Closing, and (y) no documents, forms or undertakings are required to be filed or made under any applicable state property transfer or disclosure laws in connection with the transactions contemplated hereby

(iii) None of the Companies nor any affiliated or predecessor person, company or companies for which the Companies may have any potential successor liability under applicable law (hereinafter, a "Predecessor") has received any written or oral notice, report or other information regarding any actual or alleged violation of Environmental, Health and Safety Requirements, or any liabilities or potential liabilities, including any investigatory, remedial or corrective obligations, relating to the Companies, a Predecessor, or any of their respective facilities and arising under the Environmental, Health and Safety Requirements.

(iv) None of the Companies nor any Predecessor has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled or released any substance, including without limitation any Hazardous Substance, or owned or operated any property or facility (and no such property or facility is contaminated by any such substance), in a manner that has given or would give rise to liabilities, including any liability for response costs, corrective action costs, personal injury, property damage, natural resource damages or attorneys' fees, pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, or the Solid Waste Disposal Act, as amended, or any other Environmental, Health and Safety Requirements.

(v) None of the Companies nor any of their Predecessors has, either expressly or by operation of law, assumed or undertaken any liability, including without limitation any obligation for corrective or remedial action, of any other Person relating to Environmental, Health and Safety Requirements.

(vi) Complete copies of all environmental site assessments and environmental audits, reports, assessments, studies or analyses, known to any of the Sellers, concerning any of the properties used by the Companies or any of their Predecessors, have been delivered to the Buyer, including without limitation, copies of all United States Environmental Protection Agency, United States Occupational Safety and Health Administration, and state environmental regulatory agency inspection reports.

(u) Permits. Section 7(u) of the Disclosure Schedule sets forth a list of all permits, licenses, certificates, consents, approvals and other authorizations required or granted by any governmental agency (collectively, "Permits") held by the Company. Except as set forth on the Disclosure Schedule, all such Permits are in full force and effect, the Company is in compliance with such Permits in all material respects and the Company has received no notice that any such Permit will be revoked or cancelled.

(v) Warranty Claims. Section 7(v) of the Disclosure Schedule lists all claims, liabilities and obligations exceeding $10,000 individually arising from any breach or alleged breach of written warranty, warranty policy, service or maintenance agreement or other contractual commitment or any other express or implied warranty.

(w) Product Liability. Section 7(w) of the Disclosure Schedule lists all existing claims, duties, responsibilities, liabilities or obligations exceeding $10,000 individually arising from or alleged to arise from any injury to person or property as a result of ownership, possession or use of any brick product manufactured or sold prior to the Closing Date.

(x) Clay Reserves. The Company owns within twenty (20) miles of each brick manufacturing facility sufficient shale and clay reserves on its owned real property to satisfy all requirements for the conduct of the business of the Company at such facility at current maximum capacity utilization (based on the current established material blend) for a period of ten (10) years. For purposes of this paragraph (x) only, such owned real property shall be deemed to include those parcels of Nonessential Land that Section 7(l)(iv) of the Disclosure Schedule indicates will be conveyed by the Company subject to the retention by the Company of mining rights). Attached hereto as Exhibit E is a schedule of the current maximum capacity utilization of each plant.

(y) Insurance Coverages. Section 7(y) of the Disclosure Schedule lists and briefly describes the insurance coverages currently maintained by the Company, including any self-insurance arrangements. Each of the insurance policies (or a comparable policy) shall remain in full force and effect through the Closing Date. The insurance policies have been issued under valid policies or binders for the benefit of the Company and, to the knowledge of Sellers, are in amounts and for risks, casualties and contingencies customarily insured against by enterprises with operations similar to those of the Company.

(z) Certain Business Relationships with the Company. None of the Sellers or their Affiliates have been involved in any material business arrangement or relationship with the Company within the past twelve months (other than as an officer or employee of the Company), and none of the Sellers or their Affiliates owns any asset that is used in the business of the Company.

(aa) Year 2000. At Closing, there shall not be any ongoing disruption or ongoing interruption of brick manufacturing operations at any brick manufacturing facility arising out of the failure of Company computer systems (including embedded chips) or software (including all systems and software owned, leased or otherwise used by the Company), to recognize, or perform properly, date-sensitive functions for all dates before and after January 1, 2000.

SECTION 8. Representations and Warranties of the Buyer. The Buyer represents and warrants to the Sellers that the statements contained in this Section 8 are correct and complete as of the date of this Agreement:

(a) Organization of the Buyer . The Buyer is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization of Transaction . The Buyer has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Buyer, enforceable against it in accordance with its terms and conditions. Except for filings under the Hart-Scott-Rodino Act, the Buyer does not need to give any notice to, make any filings with, or obtain any authorization, consent or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement.

(c) Noncontravention . Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which the Buyer is subject (except that appropriate filings are required under the Hart-Scott-Rodino Act), or any provision of its corporate charter or bylaws, or (ii) conflict with, result in a breach of, constitute a default under, or require any notice or consent under, any agreement, contract, instrument or other arrangement to which the Buyer is a party or by which it is bound or to which any its assets is subject.

(d) Brokers' Fees . The Buyer has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which any Seller could become liable or obligated.

(e) Investment . The Buyer is not acquiring the Rice Brick Stock, the CSI Stock or the Management Members Cherokee Interests with a view to or for sale in connection with any distribution thereof within the meaning of the Securities Act of 1933, as amended.

(f) Financing . The Buyer has financing readily available to it or other financial resources that in the aggregate are sufficient to enable Buyer to consummate the transactions provided for in this Agreement, including the payment in full at Closing of the GE Capital Debt and the Rice Partners Debt.

SECTION 9. Pre-Closing Covenants. The parties agree as follows with respect to the period between the execution of this Agreement and the Closing:

(a) General. Each of the Parties will use its or his reasonable best efforts to take all action and to do all things necessary in order to consummate and make effective the transactions contemplated by this Agreement, including satisfaction, but not waiver, of the closing conditions set forth in Section 11 below.

(b) Notices and Consents. Each of the Parties will (and the Sellers will cause the Company to, and Darden and Rice Partners, respectively, will cause CSI and Rice Brick to) give any notices to, make any filings with, and use its or his reasonable best efforts to obtain, any authorizations, consents and approvals of third parties or of governments and governmental agencies that are referred to in this Agreement or identified in the Disclosure Schedule as a matter or item requiring any such authorization, consent or approval in connection with the transactions contemplated hereby (such authorizations, consents and approvals, the "Required Consents"). Without limiting the generality of the foregoing, each of the Parties will file (and the Sellers will cause the Company to file) any Notification and Report Forms and related material that it or he may be required to file with the Federal Trade Commission and the Antitrust Division of the United States Department of Justice under the Hart-Scott-Rodino Act,

will use its or his reasonable best efforts to obtain (and the Sellers will cause the Company to use its reasonable best efforts to obtain) a waiver of the applicable waiting period, and will make (and the Sellers will cause the Company to make) any further filings pursuant thereto that may be necessary in connection therewith. Notwithstanding the terms of this Section 9(b), Rice Partners shall not be required by this Agreement to divest itself of any investments or to agree not to make certain investments or follow on investments in order to obtain any such waiver, authorization, consent or approval.

(c) Operation of Business. CSI and the Management Members will not cause or permit the Company to, and the Company shall not, engage in any practice, take any action, or enter into any transaction outside the ordinary course of business or of the type contemplated by Section 7(i) hereof, and Rice Partners will not authorize any such action, except that (i) the Company may sell, transfer or distribute the Nonessential Land prior to Closing to CSI, Darden, or an entity or entities designated by him, on such terms as the Company may in its discretion approve, subject, however, to a lease agreement, deed provision or other arrangement in form and substance reasonably satisfactory in all respects to Buyer and the Person acquiring the Nonessential Land providing for (A) a grant to or retention of mining rights by the Company for a period of twenty (20) years with respect to those parcels of the Nonessential Land that Section 7(l)(iv) of the Disclosure Schedule indicates will be conveyed subject to mining rights, (B) payment by the Company of property taxes and insurance premiums of the Company with respect to the Nonessential Land subject to mining rights and performance and discharge by the Company of statutory or regulatory reclamation obligations with respect to such property, in each case for and with respect to the period of such mining rights, but no other payments shall be required, including any royalty or other payments with respect to any clay, shale or other minerals or mining rights, (C) with respect to the Nonessential Land subject to mining rights, any timber cutting activities shall be conducted in a manner reasonably satisfactory to the Buyer so as to minimize the effect of water run-off and drainage on mining activities, and (D) a termination right permitting the Company to terminate its mining rights as to all or any portion of such Nonessential Lands (before or after mining such lands) and any obligation to pay property taxes and insurance premiums with respect to such lands, (ii) the Company shall terminate the Nonoperating Land Leases prior to Closing without further liability or obligation on the part of the Company, and (iii) the Company shall have granted to CSI, Darden, or an entity or entities designated by him, timber rights to the Brickhaven No. 2 mine (approximately 382 acres) provided any timber cutting activities shall be conducted in a manner reasonably satisfactory to the Buyer so as to minimize the effect of water run-off and drainage on mining activities; provided, however, that the practices, actions, transactions, agreements and instruments permitted by clauses (i), (ii) and (iii) above shall be disclosed to Buyer in writing and shall be in form and substance reasonably satisfactory to Buyer in all respects; and provided further, that Buyer may deem any representations, warranties or covenants of CSI or the Company that survive the Closing to be unsatisfactory unless specifically agreed to herein.

(d) CSI Transactions. The Parties acknowledge that CSI, prior to Closing, may sell or otherwise transfer such assets (other than the CSI Cherokee Interest) and engage in such other activities and transactions as Darden shall in his discretion deem necessary or appropriate in order that CSI, as of the Closing, will have no assets other than the CSI Cherokee Interest and no liabilities. All such sales and transfers of assets and all such other activities and transactions, and all agreements and instruments related thereto, shall be disclosed to Buyer in writing and shall be in form and substance reasonably satisfactory to Buyer in all respects; Buyer may deem any

representations, warranties or covenants of CSI or the Company that survive the Closing to be unsatisfactory unless specifically agreed to herein.

(e) Fees and Expenses. Sellers or the Company shall pay, prior to Closing, all fees, expenses and other charges incurred by the Sellers or the Company with respect to the transactions contemplated by Sections 9(c) and (d), including without limitation all fees and expenses of counsel and all sales, stamp, use, service, transfer (including any transfer tax, fee or charge on the transfer of real property or of a controlling or other interest in real property or of a company holding real property), recording or other Taxes or fees.

(f) Full Access. Each of the Sellers will permit and cooperate with, and the Sellers will cause the Company to permit and cooperate with, representatives of the Buyer to have full access at all reasonable times, and in a manner so as not to unreasonably interfere with the normal business operations of the Company, to all premises, properties, personnel, books, records (including tax records), contracts and documents of or pertaining to the Company; provided, however, that Buyer may not, without the prior written consent of the Sellers' Representative, not to be unreasonably withheld, conduct any environmental examinations or testing on or of any of the Company's properties or facilities or contact or engage in discussions with any of the Company's employees, distributors, suppliers or customers with respect to this Agreement or the transactions contemplated hereby. Rice Partners and Darden will permit and cooperate with, and Rice Partners and Darden will cause Rice Brick and CSI, respectively, to permit and cooperate with, representatives of the Buyer to have access to and with respect to Rice Brick and CSI to the same extent as described in the preceding sentence with respect to the Company. The confidentiality agreement previously entered into by the Buyer shall be applicable with respect to all confidential information to which the Buyer may be granted access as contemplated by this Section 9(f).

(g) Notice of Developments .

(i) The Sellers shall promptly notify the Buyer of any development causing a breach of any of the representations and warranties set forth in Section 7 above. Sellers shall promptly supplement or amend Section 7 of the Disclosure Schedule with respect to any matter heretofore existing or hereafter arising which, if existing, occurring or known at the date of this Agreement, would have been required to be set forth or described in Section 7 of the Disclosure Schedule or which is necessary to correct any information in Section 7 of the Disclosure Schedule which has been rendered inaccurate thereby. For purposes of determining the accuracy of the representations and warranties of the Sellers contained in Section 7 hereof from and after the Closing, Section 7 of the Disclosure Schedules delivered by the Sellers shall be deemed to include only that information contained therein on the date of this Agreement and shall be deemed to exclude any information contained in any subsequent supplement or amendment thereto. From and after the Closing, such supplements and amendments shall not be deemed to have amended the Disclosure Schedule, shall not be deemed to have qualified the representations and warranties in Section 7 and shall not be deemed to have prevented or cured any misrepresentation or breach of warranty that might otherwise have existed by reason of such development.

(ii) Each Party will give prompt written notice to the others of any material adverse development causing a breach of any of its or his own representations and warranties in Sections 4, 5, 6 and 8 above. No disclosure by any Party pursuant to this Section 9(g)(ii),

however, shall be deemed to amend or supplement the Disclosure Schedule or to prevent or cure any misrepresentations or breach of warranty contained in Sections 4, 5, 6 or 8 hereof.

(h) Capital Expenditures. The Company shall have either (i) made prior to Closing the capital expenditures relating to the Maryland Facility set forth on Exhibit F attached hereto in the aggregate amount of $1,423,000, or (ii) accrued as a current liability of the Company for purposes of the Adjusted Working Capital calculation the amount of any shortfall in such capital expenditures from $1,423,000.

(i) Exclusivity. None of the Sellers will (and the Sellers will not cause or permit any of the Companies to) solicit, initiate, or encourage, or participate in discussions with respect to, the submission of any proposal or offer, from any Person relating to the acquisition (whether by merger, consolidation, share exchange, purchase or otherwise) of any capital stock of Rice Brick or CSI or any membership interest in the Company, or any substantial portion of the assets of the Company, exclusive of inventory sales in the ordinary course of business or sales or transfers of Nonessential Land as contemplated by Section 9(c).

SECTION 10. Post-Closing Covenants. The Parties agree as follows with respect to the period following the Closing:

(a) General. In case at any time after the Closing any further action is necessary to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as the other Party reasonably may request, all at the sole cost and expense of the Requesting Party (unless the Requesting Party is entitled to indemnification therefor under Section 12 below).

(b) Remediation. Sellers agree to remediate, at their expense, all soil delivered to or in possession of the Companies for environmental remediation purposes. Sellers hereby confirm to Buyer that (i) all soil delivered to or in possession of the Companies for environmental remediation purposes but not yet remediated is located on Nonessential Lands, and (ii) the Company's environmental remediation business ceased operations in 1998. For a period of six (6) months, the Company shall make Warren Paschal reasonably available to assist Sellers in conducting such remediation activities at no cost to Sellers; provided that such assistance shall not exceed ten percent (10%) weekly working time. For a period of six (6) months, the Company shall make one additional employee reasonably available to assist Sellers in conducting such remediation activities; provided that such employee's time and expenses shall be charged to the Sellers at cost.

(c) Litigation Support . In the event and for so long as any Party actively is contesting or defending against any action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand in connection with (i) any transaction contemplated by this Agreement, or (ii) any matter, circumstance or event arising or occurring on or prior to the Closing Date involving the Company, Rice Brick or CSI, each of the other Parties shall cooperate with him or it and his or its counsel in the defense or contest, make available their personnel, and provide such testimony and access to their books and records as shall be reasonably necessary in connection with the defense or contest, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor pursuant to Section 12 below).

(d) Maryland Corrective Order. Sellers, on the one hand, and Buyer, on the other hand, shall use their reasonable best efforts to work and cooperate with each other and with each other's agents to resolve the matters raised by the Maryland Department of the Environment (the "DOE") in its Notice of Proposed Civil Penalty No. ACP 98-08 dated June 19, 1998 (the "Notice") and its Corrective Order No. 98-05-04 dated June 19, 1998 (the "Order") to the satisfaction of the DOE and the reasonable satisfaction of the Parties. With respect to all fines, penalties and charges (including interest thereon) payable to the DOE or other governmental authorities (or citizens group acting in lieu of any such governmental authority) arising out of or related to the matters raised by the DOE in the Notice and the Order, Sellers agree to pay (i) one hundred percent (100%) of such fines, penalties and charges attributable to all periods prior to Closing and the first six months from and after the Closing; and (ii) fifty percent (50%) of such fines, penalties and charges attributable to the twelve month period commencing six months after Closing and ending eighteen months after Closing. With respect to all reasonable legal and consulting costs and expenses and all other reasonable costs and expenses incurred by the Parties in resolving the matters raised by the DOE in the Notice and the Order (but excluding (except as set forth below) all costs and expenses of control and other equipment (including scrubbers, baghouses, electrostatic precipitators and other control technology) that may be required or deemed necessary by, or acceptable to, the DOE or other governmental authorities to resolve the matters raised by the DOE in the Notice and the Order to the satisfaction of the DOE or such other governmental authorities), Sellers agree to pay (i) one hundred percent (100%) of such costs and expenses attributable to all periods prior to Closing and the first six months from and after the Closing; and (ii) fifty percent (50%) of such costs and expenses attributable to the twelve month period commencing six months after Closing and ending eighteen months after Closing. Sellers further agree to pay fifty percent (50%) (up to a maximum of $250,000 in the aggregate) of all costs and expenses of acquiring and installing control and other equipment (including scrubbers, baghouses, electrostatic precipitators and other control technology) or implementing other alternatives (including acquiring, installing and converting to gas fired kilns) that may be required or deemed necessary by, or acceptable to, the DOE and other applicable governmental authorities to resolve the matters raised by the DOE in the Notice and the Order to the satisfaction of the DOE or such other governmental authorities. If there is a firm settlement offer with the DOE that meets the criteria set forth below and that the Sellers desire the Company to accept, the Sellers will give at least five (5) business days' prior written notice to the Company to that effect, setting forth in reasonable detail the terms and conditions (which shall include the proposed amounts of fines and penalties) of any such settlement offer (the "*Settlement Notice*"). If the Company objects to such firm settlement offer within ten (10) calendar days after its receipt of such Settlement Notice, the Company may continue to contest or defend the matters raised by the DOE in the Notice and the Order and, in such event, the maximum liability of Sellers under this Section 10(d) will not exceed the liability that the Sellers would have had under this Section 10(d) had the firm settlement offer described in the Settlement Notice been accepted on the date the Settlement Notice had been delivered. Notwithstanding the foregoing, the terms and conditions of any such firm settlement offer shall not obligate the Company to incur aggregate capital expenditures in excess of $500,000 (up to $250,000 of which shall be paid by Sellers pursuant to this Section 10(d)) or require the Company to curtail brick manufacturing operations at the Maryland Facility. This Section 10(d) and Section 12(b)(iv) herein contains the exclusive agreement of the Parties and the sole remedy of the Buyer with respect to (i) fines, penalties and charges payable to the DOE or other governmental authorities (or citizens group acting in lieu of any such governmental authority) arising out of or related to the matters raised by the DOE in the Notice and the Order, (ii) legal

and consulting costs and expenses and all other costs and expenses incurred by the Parties in resolving the matters raised by the DOE in the Notice and the Order to the satisfaction of the DOE or such other governmental authorities, and (iii) costs and expenses of acquiring and installing control and other equipment or implementing other alternatives that may be required or deemed necessary by, or acceptable to, the DOE and other applicable governmental authorities to resolve the matters raised by the DOE in the Notice and the Order to the satisfaction of the DOE or such other governmental authorities..

SECTION 11. Conditions to Obligation to Close.

(a) Conditions to Obligation of the Buyer . The obligation of the Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(i) the representations and warranties of the Sellers set forth in Sections 4, 5, and 6 shall be true and correct in all material respects (other than representations and warranties qualified by materiality, which shall be true and correct in all respects) at and as of the Closing Date;

(ii) the Sellers shall have performed and complied with all of their covenants hereunder in all material respects through the Closing;

(iii) the Sellers shall have delivered to the Buyer a certificate to the effect that each of the conditions specified in Sections 11(a)(i) and (ii) above is satisfied in all respects;

(iv) the Sellers shall have delivered to the Buyer a certificate to the effect that, to Sellers' Knowledge, the Company has not suffered a material adverse effect (as contemplated by Section 14(a)(ii) herein);

(v) there shall not be any injunction, judgment, order, decree or ruling in effect preventing consummation of any of the transactions contemplated by this Agreement;

(vi) the Buyer shall have received all requested resignations of all directors and officers of Rice Brick, CSI and the Company;

(vii) all Required Consents shall have been obtained and the Buyer shall have received evidence thereof reasonably satisfactory to it;

(viii) all applicable waiting periods (and any extensions thereof) under the Hart-Scott-Rodino Act shall have expired or otherwise been terminated;

(ix) the Sellers shall have delivered to the Buyer the environmental insurance policies described on Section 11(a)(viii) of the Disclosure Schedule, with the premium due thereon having been paid in full by the Company prior to Closing, which policies shall be in form and substance reasonably satisfactory to Buyer;

(x) the Nonoperating Land Leases shall have been terminated and cancelled and the Buyer shall have received evidence thereof reasonably satisfactory to it;

(xi) the Buyer shall have received from counsel to the Sellers a legal opinion in form and substance reasonably satisfactory to Buyer, addressed to the Buyer, and dated as of the Closing Date;

(xii) the Buyer shall have received evidence reasonably satisfactory to Buyer that the employment agreement with Darden disclosed on Section 7(n) of the Disclosure Schedule has been terminated and that all liabilities and obligations thereunder on the part of the Companies have been paid or will be accrued as current liabilities of the Company on the Closing Date Balance Sheet for purposes of calculating Adjusted Working Capital, but that the noncompetition provisions of such agreement shall survive for a period of two years from and after the Closing;

(xiii) the Buyer shall have received from CSI evidence reasonably satisfactory to Buyer that CSI has no liability under promissory notes and other indebtedness to the former Borden shareholders;

(xiv) the Management Members and the Company shall have entered into an agreement whereby the Management Members shall have agreed to defer the ability to terminate their employment for "Good Reason" under their employment agreements for a period of 90 days following Closing and the Company shall have agreed to extend the window period for exercising a "Good Reason" termination from a ninety (90) day window period to a one hundred eight (180) day window period following expiration of the ninety (90) day deferral period, which agreement shall be in form and substance reasonably satisfactory to Buyer.

(xv) the Buyer shall have received a pay-off letter from GE Capital and Rice Partners in form and substance reasonably satisfactory to Buyer.

(xvi) the Buyer shall have received confirmation that Sellers have made due inquiry of Warren Paschal, Mark Patterson, John Passantino, Nollie Jones and Marc Brady as to the accuracy of the representations and warranties of Sellers contained herein, which confirmation shall be in form and substance reasonably satisfactory to Buyer.

(xvii) [Intentionally Omitted]

(xviii) the Buyer shall have received confirmation that the owner's title policies with respect to each parcel of real property listed on Section 7(l)(i) have been updated and brought forward to the Closing Date confirming ownership of such real property in accordance with Section 7(l)(i) to Buyer; provided, however, that Buyer shall pay any additional premiums or other expenses related thereto.

(xix) the New Raleigh Lease shall have been entered into by the parties thereto in form and substance reasonably satisfactory to Buyer.

(xx) the New Maryland Lease shall have been entered into by the parties thereto and the existing Maryland Facility Lease shall have been terminated without further liability or obligation on the part of the Company, all in form and substance reasonably satisfactory to Buyer.

(xxi) the lessor of the premises commonly known as 7500 Mason King Court (the Manassas, Virginia facility) shall have consented to the change of control of the Company contemplated by this Agreement, which consent shall be in form and substance reasonably satisfactory to Buyer.

(xxii) the Buyer shall have received from Sellers such other instruments or documents as may be reasonably necessary or appropriate in connection with the transactions contemplated herein; and

(xxiii) all actions to be taken by the Sellers in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments and other documents required to effect the transactions contemplated hereby shall be reasonably satisfactory in form and substance to the Buyer.

The Buyer may waive any condition specified in this Section 11(a) if it executes a writing so stating at or prior to the Closing.

(b) Conditions to Obligation of the Sellers . The obligation of the Sellers to consummate the transactions to be performed by them in connection with the Closing is subject to satisfaction of the following conditions:

(i) the representations and warranties of the Buyer set forth in Section 8 above shall be true and correct in all material respects at and as of the Closing Date;

(ii) the Buyer shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

(iii) the Buyer shall have delivered to the Sellers a certificate to the effect that each of the conditions specified above in Sections 11(b)(i) and (ii) above is satisfied in all respects;

(iv) there shall not be any injunction, judgment, order, decree or ruling in effect preventing consummation of any of the transactions contemplated by this Agreement;

(v) all Required Consents shall have been obtained;

(vi) the Buyer shall have made arrangements satisfactory to Sellers for payment in full, concurrently with the Closing, of the GE Capital Debt and the Rice Partners Debt;

(vii) all applicable waiting periods (and any extensions thereof) under the Hart-Scott-Rodino Act shall have expired or otherwise been terminated;

(viii) the Sellers shall have received from counsel to the Buyer an opinion in form and substance reasonably satisfactory to Sellers, addressed to the Sellers, and dated as of the Closing Date; and

(ix) all actions to be taken by the Buyer in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments and other

documents required to effect the transactions contemplated hereby shall be reasonably satisfactory in form and substance to the Requisite Sellers.

The Requisite Sellers may waive any condition specified in this Section 11(b) if they execute a writing so stating at or prior to the Closing.

SECTION 12. Remedies for Breach of this Agreement.

(a) Survival of Representations and Warranties . All of the representations and warranties of the Sellers contained in Section 7 above, other than the Company Tax Representations, the Company ERISA Representations, the Title Representations and the Environmental Representations, shall survive the Closing hereunder and continue in full force and effect for a period of eighteen (18) months thereafter. The Company Tax Representations and the Seller Tax Representations shall survive the Closing without limitation as to time and continue in full force and effect thereafter until after expiration of the applicable statutes of limitation with respect to Tax matters. The Company ERISA Representations shall survive the Closing without limitation as to time and continue in full force and effect thereafter until after expiration of the applicable statutes of limitation with respect to ERISA matters. The Environmental Representations, together with all other representations of the Parties contained in Sections 4, 5, 6 and 8 hereof, other than the Seller Tax Representations and the Title Representations, shall survive the Closing hereunder and continue in effect for a period of three (3) years thereafter. The Title Representations shall survive the Closing without limitation as to time and continue in full force and effect forever thereafter. All of the covenants of Sellers shall survive the Closing.

(b) Indemnification Provisions for Benefit of the Buyer .

(i) In the event any of the Sellers breaches any of their representations, warranties and covenants contained herein (other than the covenants in Sections 2(a), (b) and (c) above and the representations and warranties in Section 4, Section 5 and Section 6 above), and, if there is an applicable survival period pursuant to Section 12(a) above, provided that the Buyer makes a written claim for indemnification against any of the Sellers pursuant to Section 16(g) below within such survival period, then (1) each of the Sellers agrees to indemnify the Buyer from and against his or its Allocable Portion of any Adverse Consequences the Buyer shall suffer through and after the date of the claim for indemnification resulting from or caused by the breach, and (2) without duplication, each of Darden and Rice Partners agrees (but without limiting their claims against the Management Members under any applicable agreement with them) to indemnify the Buyer from and against the entirety of the Management Members' aggregate Allocable Portion of any Adverse Consequences the Buyer shall suffer through and after the date of the claim for indemnification resulting from or caused by the breach; provided, however, that the Sellers shall not have any obligation to indemnify the Buyer from and against any Adverse Consequences caused by the breach of any representation or warranty of the Sellers contained in Section 7 hereof (A) until the Buyer has suffered Adverse Consequences by reason of all such breaches, together with Adverse Consequences applied to the Basket pursuant to Section 12(b)(ii) below, in excess of a Five Hundred Thousand Dollar ($500,000.00) aggregate deductible (the "Basket") (after which point the Sellers will be obligated to indemnify the Buyer from and against further such Adverse Consequences in excess of the $500,000 deductible), or thereafter (B) to the extent the Adverse Consequences the Buyer has suffered by reason of all such breaches, together with Adverse Consequences applied to the Cap pursuant to Section

12(b)(ii) below, exceeds an aggregate ceiling of $12,500,000 (the "Cap"), after which point the Sellers will have no obligation to indemnify the Buyer from and against further such Adverse Consequences.

(ii) In the event any of the Sellers breaches any of his or its covenants in Section 2 above or any of his or its representations and warranties in Sections 4, 5 or 6 above, and, if there is an applicable survival period pursuant to Section 12(a) above, provided that the Buyer makes a written claim for indemnification against the Seller pursuant to Section 16(g) below within such survival period, then the Seller in breach agrees to indemnify the Buyer from and against the entirety of any Adverse Consequences the Buyer shall suffer through and after the date of the claim for indemnification resulting from or caused by the breach; provided, however, that the Basket and the Cap provided in Section 12(b)(i) above, to the extent not previously used pursuant to subsection (i) above, shall be applicable to any indemnification claim against Darden pursuant to Sections 5(b)(ix), (x), (xi) and (xii) hereof, but the Basket and the Cap shall not otherwise be applicable to indemnification claims pursuant to this Section 12(b)(ii). Subject to the provisions of this Section 12(b) regarding the additional indemnification obligations of Darden and Rice Partners with respect to the Management Members' Allocable Portion of Adverse Consequences or other indemnification obligation, no Seller shall in any event have an aggregate liability for indemnification pursuant to this Agreement for an amount in excess of such Seller's Allocable Portion of the Purchase Price.

(iii) Darden agrees to indemnify the Buyer from and against the entirety of any Adverse Consequences arising out of, related to or in connection with the Nonessential Lands (other than the Nonessential Land that Section 7(l)(iv) of the Disclosure Schedule indicates will be subject to mining rights).

(iv) Each of the Sellers agrees to indemnify the Buyer from and against his or its Allocable Portion of any Adverse Consequences the Buyer or the Company shall suffer arising out of, related to or in connection with a breach of the Sellers' covenants contained in Section 10(d) herein. Without duplication, each of Darden and Rice Partners agrees (but without limiting their claims against the Management Members under any applicable agreement with them) to indemnify the Buyer from and against the entirety of the Management Members' aggregate Allocable Portion of any such Adverse Consequences suffered by the Buyer or the Company.

(v) Each of the Sellers agrees to indemnify the Buyer from and against his or its Allocable Portion of any Adverse Consequences (in excess of the accrual therefor on the Closing Date Balance Sheet) the Buyer or the Company shall suffer arising out of, related to or in connection with James E. Parrish's participation in an appreciation rights plan of the Company. Without duplication, each of Darden and Rice Partners agrees (but without limiting their claims against the Management Members under any applicable agreement with them) to indemnify the Buyer from and against the entirety of the Management Members' aggregate Allocable Portion of any such Adverse Consequences suffered by the Buyer or the Company.

(vi) Each of the Sellers agrees to indemnify the Buyer from and against his or its Allocable Portion of all Taxes imposed on the Company by any federal, state, local or foreign government taxing authority arising out of the sale, transfers and distributions contemplated by Section 9(c). Without duplication, each of Darden and Rice Partners agrees (but without limiting their claims against the Management Members under any applicable agreement with them) to

indemnify the Buyer from and against the entirety of the Management Members' aggregate Allocable Portion of any such Taxes.

(vii) Darden agrees to indemnify the Buyer against all Taxes arising out of the sale, transfers and other transactions contemplated by Section 9(d).

(c) Indemnification Provisions for Benefit the Sellers . In the event the Buyer breaches any of its representations, warranties and covenants contained herein, then the Buyer agrees to indemnify each of the Sellers from and against the entirety of any Adverse Consequences such Seller shall suffer through and after the date of the claim for indemnification.

(d) Matters Involving Third Parties .

(i) If any third party shall notify any Party (the "Indemnified Party") with respect to any matter (a "Third Party Claim") which may give rise to a claim for indemnification against any other Party (the "Indemnifying Party") under this Section 12, then the Indemnified Party shall promptly (and in any event within ten (10) days after receiving notice of the Third Party Claim) notify each Indemnifying Party thereof in writing.

(ii) Buyer, if it is the Indemnifying Party, and Sellers' Representatives, if the Sellers are the Indemnifying Parties, will have the right at any time within fifteen (15) days after the Indemnified Party has given notice of the Third Party Claim to assume and thereafter conduct the defense of the Third Party Claim with counsel of his or its choice; provided, however, that the Buyer, if it is the Indemnifying Party, and the Sellers' Representatives, if the Sellers are the Indemnified Party, will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnified Party (not to be unreasonably withheld) unless the judgment or proposed settlement involves only the payment of money damages for which the Indemnified Party has no liability or is fully indemnified for all such amounts hereunder (the Basket and Cap not being applicable to such amounts) and does not impose an injunction or other equitable relief or other obligation upon the Indemnified Party.

(iii) Unless and until Buyer, if it is the Indemnifying Party, or Sellers' Representatives, if Sellers are the Indemnifying Parties, assumes the defense of the Third Party Claim as provided in Section 12(d)(ii) above, however, the Indemnified Party may defend against the Third Party Claim in any manner he or it reasonably may deem appropriate.

(iv) In no event will the Indemnified Party consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Buyer (not to be unreasonably withheld), if the Buyer is the Indemnifying Party, and the Sellers' Representatives (not to be unreasonably withheld), if the Sellers are the Indemnifying Parties.

(v) Any failure by an Indemnified Party to give a timely notice pursuant to Section 12(d)(i) above shall not affect the rights or obligations of any Party hereunder except and only to the extent that, as a result of such failure, any Indemnifying Party entitled to receive such notice was adversely affected or damaged by such failure.

(e) Determination of Adverse Consequences. The Parties shall make appropriate adjustments for insurance proceeds actually received (including any payments actually received under the environmental insurance coverage referenced in Section 11(a)(viii)) in determining Adverse Consequences for purposes of this Section 12. All indemnification payments by the Sellers under this Section 12 shall be deemed adjustments to the Purchase Price.

(f) Exclusive Remedy. The Buyer and the Sellers acknowledge and agree that the foregoing indemnification provisions in this Section 12 shall be the exclusive remedies of the Parties with respect to the transactions contemplated by this Agreement or any breach of the terms and provisions hereof, and the Buyer hereby waives any and all rights or claims against Sellers other than pursuant to such indemnification provisions; provided, however, that prior to Closing the Buyer shall have the right to seek specific performance or other equitable relief to compel performance and consummation of this Agreement. Without limiting the generality of the foregoing, the Buyer understands and agrees that its right to indemnification under Section 12(b) for breach by Sellers of the Environmental Representations, under Section 12(b)(iii) with respect to Nonessential Lands, and under Section 12(b)(iv) with respect to the covenants contained in Section 10(d) herein shall constitute its sole and exclusive remedies against the Sellers with respect to any environmental, health or safety matters relating to the past, current or future facilities, properties or operations of the Company, and all of its predecessors or affiliates (including CSI), including, without limitation, any such matter arising under any Environmental, Health and Safety Requirements. Aside from such right to indemnification, the Buyer hereby waives any right, whether arising at law or in equity, to seek contribution, cost recovery, damages or any other recourse or remedy from the Sellers, or any of them, and hereby releases the Sellers, from any claim, demand or liability with respect to any such environmental, health or safety matter (including without limitation any arising under any Environmental, Health and Safety Requirements).

(g) Nature of Certain Obligations. The covenants of each of the Sellers contained in Section 2 above concerning the sale by the Sellers respectively of the Rice Brick Stock, the CSI Stock and the Management Members Cherokee Interests and the representations and warranties of each of the Sellers contained in Sections 4, 5, and 6 are several obligations. This means that the particular Seller making the representation, warranty or covenant will be solely responsible to the extent provided in Section 12(b) above for any Adverse Consequences the Buyer may suffer as a result of any breach thereof. The remainder of the representations, warranties and covenants of the Sellers in this Agreement are joint obligations. This means that (unless otherwise specifically provided in Section 12(b)) each Seller will be responsible to the extent provided in Section 12(b) above for his or its Allocable Portion of any Adverse Consequences the Buyer may suffer as a result of any breach thereof; provided, however, that Darden and Rice Partners shall each also be responsible to the extent provided in Section 12(b) above for the entirety of the Management Members' aggregate Allocable Portion of any Adverse Consequences suffered by Buyer.

(h) Adverse Consequences. For purposes of this Agreement, the term "Adverse Consequences" shall mean all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, liabilities, obligations, taxes, liens, losses, expenses and fees, including court costs and reasonable attorneys' fees and expenses.

SECTION 13. Tax Matters. The following provisions shall govern certain tax matters relating to the transactions contemplated hereby, including the allocation of responsibility as between Buyer and Sellers for certain tax matters following the Closing Date.

(a) Tax Distributions. Prior to the Closing, the Parties acknowledge and agree that the Company will pay to each Member a good faith estimate of all Tax Distributions to which such Member is entitled pursuant to the Operating Agreement of the Company with respect to the period ending on the Closing Date plus 10% of such amount. The amount of such distribution shall be determined in a manner consistent with the past practices of the Company with respect to similar such distributions. From and after the Closing, the Company shall have no obligation to pay any additional Tax Distributions or other distributions to any Member or Seller pursuant to this Section 13 or the Operating Agreement of the Company or otherwise.

(b) Company Tax Periods Ending on or Before the Closing Date. The Sellers shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for the Company for all periods ending on or prior to the Closing Date which are to be filed after the Closing Date. The Sellers shall permit Buyer to review and comment on each such Tax Return described in the preceding sentence prior to filing and shall make such revisions to such Tax Returns as are reasonably requested by the Buyer. The costs for preparation and filing of the Tax Returns referenced in this Section 13(b) shall be borne by the Sellers.

(c) Company Tax Periods Beginning Before and Ending After the Closing Date. The Buyer shall prepare or cause to be prepared and file or cause to be filed all Tax Returns of the Company for tax periods which begin before the Closing Date and end after the Closing Date. The Parties shall make or cause to be made such elections and shall take such other action as shall be necessary or appropriate to cause all relevant tax periods to end on the Closing Date. Buyer shall permit Sellers to review and comment on each such Tax Return described in the preceding sentence prior to filing and shall make such revisions to such Tax Returns as are reasonably requested by the Sellers. For purposes of this Section 13(c), the income, gain, loss, deduction or other tax items which are applicable to the period ending on the Closing Date shall be deemed equal to the amount thereof that would have been allocated to the Members if the relevant taxable period had ended on the Closing Date. The costs of preparation and filing of the Tax Returns referred to in this Section 13(c) shall be borne by the Sellers.

(d) CSI Income Tax Returns. Darden shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for CSI for all periods ending on or prior to the Closing Date which are to be filed after the Closing Date. Darden shall permit Buyer to review and comment on each such Tax Return described in the preceding sentence prior to filing and shall make such revisions to such Tax Returns as are reasonably requested by the Buyer. For purposes of this Section 13(d), the income, gain, loss, deduction or other tax items of CSI which are applicable to the period ending on the Closing Date shall be deemed equal to the amount thereof that would have been allocated to Darden if the relevant tax period had ended on the Closing Date, and the Parties shall make or cause to be made such elections and shall take such other action as shall be necessary or appropriate to cause such a cut-off for tax purposes to occur as of the Closing Date in accordance with applicable tax accounting requirements. The costs for preparation and filing of the Tax Returns referenced in this Section 13(d) shall be borne by the Darden. Darden agrees that, at Buyer's election, Darden will, after Closing, jointly make and effect any and all available Section 338(h)(10) elections to step up the basis of CSI's assets in accordance with the tax laws of any applicable federal, state or local jurisdiction; provided that Buyer indemnifies Darden

against any additional Tax liability actually incurred by Darden as a result of such election, including by payment of any such additional tax liability at least five (5) days prior to the due date thereof. Buyer and Darden shall cooperate fully as and to the extent reasonably requested by the other party, to determine the amount of such additional tax liability at least sixty (60) days prior to the required filing of any such Section 338(h)(10) elections.

(e) Rice Brick Tax Returns. Rice Partners shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for Rice Brick for all periods ending on or prior to the Closing Date which are to be filed after the Closing Date. Rice Partners shall permit Buyer to review and comment on each such Tax Return described in the preceding sentence prior to filing and shall make such revisions to such Tax Returns as are reasonably requested by the Buyer. The costs for preparation and filing of the Income Tax Returns referenced in this Section 13(e) shall be borne by the Rice Partners.

(f) Cooperation on Tax Matters. Buyer and the Sellers shall cooperate fully, as and to the extent reasonably requested by the other Party, in connection with the filing of Income Tax Returns pursuant to this Section and any audit, litigation or other proceeding with respect to Income Taxes. Such cooperation shall include the retention and (upon the other Party's request) the provision of records and information which are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Buyer and the Sellers agree (A) to retain all books and records with respect to tax matters pertaining to the Company relating to any taxable periods beginning before the Closing Date until the expiration of the statute of limitations (and, to the extent notified by any Party, any extensions thereof) of the respective taxable periods, and to abide by all record retention agreements entered into with any taxing authority, and (B) to give the other party reasonable written notice prior to transferring, destroying or discarding any such books and records and, if the other Party so requests, the Buyer or the Sellers, as the case may be, shall allow the other party to take possession of such books and records.

SECTION 14. Termination.

(a) Termination of Agreement. Certain of the Parties may terminate this Agreement as provided below:

(i) the Buyer and the Requisite Sellers may terminate this Agreement by mutual written consent at any time prior to the Closing;

(ii) the Buyer may terminate this Agreement by giving written notice to the Requisite Sellers, with a copy to each of the other Sellers, at any time prior to the Closing in the event that there is a material adverse effect upon the financial condition results of operations or business of the Company (determined without regard to developments in the industry generally) provided that the following shall not be deemed to be a material adverse effect upon the Company: (i) the inability of Buyer to reach an agreement with any of the Seller's employees (other than the Management Members with respect to their employment by the Company for a period of ninety days following Closing) regarding their employment by Buyer after the Closing or the resignation of any of the Seller's employees (other than Management Members) prior to the Closing, (ii) any change in Seller's relations with or any actual or projected decrease in dollar sales to any of its customers or (iii) industry wide developments affecting the brick and/or

building products industries as a whole (e.g. a down turn in housing starts, extended adverse weather conditions, ordinary fluctuations in interest rates), other than extraordinary developments of unusual nature and infrequent occurrence.;

(iii) the Buyer may terminate this Agreement by giving written notice to the Requisite Sellers, with a copy to each of the other Sellers, if the Closing shall not have occurred on or before April 1, 2000, by reason of the failure of any condition precedent under Section 11(a) hereof (unless the failure results primarily from the Buyer itself breaching any representation, warranty or covenant contained in this Agreement);

(iv) the Requisite Sellers may terminate this Agreement by giving written notice to the Buyer at any time prior to the Closing in the event that there is a material adverse effect upon the financial condition results of operations or business of the Company (determined without regard to developments in the industry generally); provided that the following shall not be deemed to be a material adverse effect upon the Company: (i) the inability of Buyer to reach an agreement with any of the Seller's employees (other than the Management Members with respect to their employment by the Company for a period of ninety days following Closing) regarding their employment by Buyer after the Closing or the resignation of any of the Seller's employees (other than Management Members) prior to the Closing, (ii) any change in Seller's relations with or any actual or projected decrease in dollar sales to any of its customers or (iii) industry wide developments affecting the brick and/or building products industries as a whole (e.g. a down turn in housing starts, extended adverse weather conditions, ordinary fluctuations in interest rates), other than extraordinary developments of unusual nature and infrequent occurrence; and provided, further, that the provisions of Section 9(i) (Exclusivity) herein shall continue in full force and effect for a period of sixty (60) days from and after any such termination by the Requisite Sellers, during which period the parties shall in good faith attempt to negotiate a revised acquisition agreement providing for the acquisition of the Companies by Buyer and reflecting such material adverse effect; and provided, further, that at the date hereof, Sellers had no knowledge of the action, event or occurrence giving rise to such material adverse effect; and

(v) the Requisite Sellers may terminate this Agreement by giving written notice to the Buyer at any time prior to the Closing (A) in the event the Buyer has breached any material representation, warranty or covenant contained in this Agreement in any material respect, any of the Sellers has notified the Buyer of the breach, and the breach has continued without cure for a period of thirty (30) days after the notice of the breach, or (B) if the Closing shall not have occurred on or before April 1, 2000, by reason of the failure of any condition precedent under Section 11(b) hereof (unless the failure results primarily from any of the Sellers themselves breaching any representation, warranty or covenant contained in this Agreement).

(b) Effect of Termination. If any Party terminates this Agreement pursuant to Section 14(a) above (other than Section 14(a)(iv)), all rights and obligations of the Parties hereunder shall terminate without any liability of any Party to any other Party (except for any liability of any Party then in breach); provided, however, that in the event of termination pursuant to Section 14(a)(ii), the material adverse effect giving rise to the termination shall not be deemed a breach by the Sellers unless, at the date hereof, the Sellers had knowledge of the action, event or occurrence giving rise to such material adverse effect. If the Requisite Sellers terminate this Agreement pursuant to Section 14(a)(iv) above, all rights and obligations of the Parties hereunder shall terminate without any liability of any Party to any other Party, except that the

provisions of Section 9(i) (Exclusivity) shall survive any such termination for a period of sixty (60) days as provided in Section 14(a)(iv).

SECTION 15. Sellers' Representative.

All actions or decisions required or permitted to be taken or made hereunder by the Sellers' Representative specifically or by or on behalf of the Sellers collectively pursuant to Section 12 of this Agreement (Remedies for Breach of this Agreement) or Section 13 hereof (Tax Matters) shall be taken or made by the Sellers' Representative. The Sellers' Representative (as initially or hereafter designated) is hereby irrevocably appointed as agent and attorney-in-fact for the Sellers for all actions or decisions hereunder pursuant to Section 12 or Section 13 hereof, or that are otherwise specifically required or permitted by the Sellers' Representative, and any such action taken by the Sellers' Representative shall be binding and conclusive on the Sellers and may be relied upon by the Buyer. The Sellers' Representative shall not be liable for any action or decision taken, made or omitted by him, or any action suffered by him to be taken or omitted, if the same shall be in good faith and in the exercise of the best judgment of the Sellers' Representative. For all purposes of this Agreement, Buyer and the Company shall be entitled to rely on the Seller Representative and the actions, determinations, decisions and representations thereof, which shall be final and binding on Sellers and their respective successors and assigns. Buyer and the Company shall have no obligation to inquire into the authority of any person reasonably believed by them to be the Seller Representative.

SECTION 16. Miscellaneous.

(a) Press Releases and Public Announcements. No Party shall issue any press release or make any public announcement relating to the subject matter of this Agreement prior to the Closing without the prior written approval of the Buyer and the Requisite Sellers, except as otherwise required by law or the rules of any applicable stock exchange.

(b) No Third Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns.

(c) Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement among the Parties and supersedes any prior understandings, agreements or representations by or among the Parties, written or oral, to the extent they have related in any way to the subject matter hereof.

(d) Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of his or its rights, interests or obligations hereunder without the prior written approval of the Buyer and the Requisite Sellers, except that this Agreement may be assigned by Buyer (and by any assignee thereof permitted herein) to any direct or indirect subsidiary of Wienerberger Baustoffindustrie AG and all references to Buyer herein shall refer to such assignee provided that any such assignment shall not relieve Buyer of its obligations hereunder.

(e) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

(f) Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(g) Notices. All notices, requests, demands, claims and other communications hereunder will be in writing. Any notice, request, demand, claim or other communication hereunder shall be deemed duly given (i) if (and then two business days after) it is sent by registered or certified mail, return receipt requested, postage prepaid, or (ii) if (and then on the next business day after) it is sent for next day delivery by Federal Express or another nationally recognized courier service providing similar services, in each case addressed to the intended recipient as set forth below:

If to the Sellers:

Rice Partners II, L.P.
Rice Sangalis Toole & Wilson
5847 San Felipe, Suite 4350
Houston, Texas 77057
Attention: Jeffrey P. Sangalis

Cherokee Sanford, Inc.
2351 Hales Road
Raleigh, North Carolina 27608
Attention: Thomas F. Darden

Armistead Burwell, Jr.
3214 Rutherford Drive
Raleigh, North Carolina 27609

William E. Brown
104 Citreon Court
Cary, North Carolina 27511

John M. Corcoran
104 Clubstone Lane
Cary, North Carolina 27511

William D. Powers
104 Vescova Lane
Morrisville, North Carolina 27560

In each case with a copy to:

Schell Bray Aycock Abel & Livingston P.L.L.C.
230 North Elm Street, Suite 1500
P. O. Box 21847
Greensboro, North Carolina 27420
Attention: Thomas C. Watkins

If to the Buyer:

General Shale Products LLC
3211 North Roan Street
Johnson City, TN 37602
Attention: Richard L. Green, President and Chief Executive Officer

With a copy to:

Cummings & Lockwood
Four Stamford Plaza
Stamford, CT 06904
Attention: John A. Flaherty, Esq.

Any party may send any notice, request, demand, claim or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail or electronic mail, but not such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner herein set forth.

(h) Governing Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of North Carolina without giving effect to any choice or conflict of law provision or rule (whether the State of North Carolina or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of North Carolina.

(i) Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Buyer and the Requisite Sellers. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

(j) Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of

the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

(k) Expenses. Each of the Buyer and the Sellers will bear their own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby. The Buyer specifically agrees to bear the filing fees associated with all filings required under the Hart-Scott-Rodino Act with respect to the transactions provided for herein; provided that the Sellers agree to take all actions and do all things reasonably requested by Buyer for purposes of ensuring that only one such filing fee is required. Except for financial advisory fees and all other fees and expenses with respect to the transactions contemplated by this Agreement payable at Closing to First Union Securities, Inc. and all other brokers, finders and agents fees, commissions and expenses of brokers, finders and agents engaged by the Sellers or the Company, which amounts shall be fully paid by the Sellers, the Company will also bear all of the Sellers' costs and expenses (including all of their legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby (other than any Income Tax on any gain resulting from the sale of the Rice Brick Stock, the CSI Stock and the Management Members Cherokee Interests as provided herein). All fees, costs, commissions and other expenses payable by the Company pursuant to this Section 9(k) shall be paid by the Company prior to Closing or accrued as current liabilities on the Closing Date Balance Sheet.

(l) Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation. The representations, warranties, covenants and agreements contained in this Agreement and in any certificate, schedule or other writing delivered in connection herewith are acknowledged to have been relied upon and shall not be affected by any investigation, verification or examination by any party hereto or by any person acting on behalf of any such party.

(m) Arbitration . Notwithstanding Section 16(h) above, upon demand of any Party, whether made before or after institution of any judicial proceeding, any dispute, claim or controversy arising out of, connected with or relating to this Agreement, or any other agreement entered into pursuant to this Agreement (collectively, "Disputes"), shall be resolved by binding arbitration as provided in this Section 16(m). Institution of a judicial proceeding by a Party does not waive the right of such Party to demand arbitration. Disputes may include, without limitation, indemnification claims, tort claims, counterclaims, claims arising from modifications, amendments or supplements to this Agreement or any other agreement provided for herein, or claims concerning any aspect of the past, present or future relationships arising out of or connected with this Agreement. Arbitration shall be conducted under and governed by the Commercial Arbitration Rules (the "Arbitration Rules") of the American Arbitration Association and Title 9 of the U.S. Code by a panel of three (3) arbitrators, one of whom shall be a Certified Public Accountant with not less than ten (10) years experience, one of whom shall be an attorney licensed in the State of North Carolina with not less than ten (10) years experience, and the third of whom shall be selected in accordance with the Arbitration Rules. All arbitration hearings

shall be conducted in Raleigh, North Carolina, unless otherwise agreed by all parties to the proceeding. All applicable statutes of limitation shall apply to any Dispute. A judgment upon the award may be entered in any court of competent jurisdiction. The costs of the arbitration proceedings shall be borne in accordance with the indemnification provisions of this Agreement or, to the extent not addressed thereby, shall be borne as the arbitrators shall determine in their award.

Notwithstanding anything to the contrary contained in this Section 16(m), the Parties hereby preserve, without diminution, certain remedies that any of them may employ or exercise freely, in connection with or during a Dispute. Each of the Parties shall have the right to proceed in any court of proper jurisdiction to exercise or prosecute the following remedies, as applicable: (i) obtaining provisional or ancillary remedies, including injunctive relief, garnishment, attachment, appointment of a receiver and filing an involuntary bankruptcy proceeding, and (ii) a judgment obtained by confession of judgment. Preservation of these remedies does not limit the power of an arbitrator to grant similar remedies that may be requested by a Party in a Dispute.

(n) Incorporation of Exhibits and Schedules . The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

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

BUYER:

GENERAL SHALE PRODUCTS LLC

Richard L. Green
President and Chief Executive Officer

SELLERS:

RICE PARTNERS II, L.P.

By: Rice Capital Group IV, L.P.,
its general partner

By: RMC Fund Management, L.P.,
its general partner

By: Rice Mezzanine Corporation,
its general partner

By: _____
Jeffrey P. Sangalis
Managing Director

_____
Thomas F. Darden

_____
Armistead Burwell, Jr.

_____
William E. Brown

_____
John M. Corcoran

_____
William D. Powers

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