

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

FIGGIE INTERNATIONAL INC /DE/

CIK: **720032** | IRS No.: **521297376** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-08591** | Film No.: **95514513**
SIC: **3560** General industrial machinery & equipment

Mailing Address

4420 SHERWIN RD
4420 SHERWIN RD
WILLOUGHBY OH 44094

Business Address

4420 SHERWIN RD
WILLOUGHBY OH 44094
2169532700

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 7, 1995

FIGGIE INTERNATIONAL INC.

(Exact name of registrant specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-8591 (Commission File Number)	52-1297376 (I.R.S. Employer Identification No.)
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4420 Sherwin Road, Willoughby, Ohio (Address of principal executive offices)	44094 (Zip Code)
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Registrant's telephone number, including area code: 216/953-2700

(not applicable)

(Former name or former address, if changed since last report)

Item 2. Acquisition or Disposition of Assets.

Figgie International Inc. (the "Registrant") is in the process of selling its packaging business.

On February 7, 1995, the Registrant sold its Geo. J. Meyer packaging business and Alfa Costruzioni Meccaniche S.p.A. labelling business to SASIB S.p.A. of Bologna, Italy. The Registrant received preliminary consideration in the amount of \$35 million, \$5 million of which was deposited in escrow for post-closing purchase price adjustments and for payment of post-closing indemnification claims. The preliminary consideration will be adjusted to reflect the difference between the parties' estimate of the net book value of certain assets less certain liabilities as of January 31, 1995 and the actual net book value of certain assets less certain liabilities as of January 31, 1995 based upon a post-closing audit.

The Registrant intends is selling its Akron, OH-based packaging operations to Barry-Wehmiller Acquisition Corp. of St. Louis, MO. The Registrant entered into a definitive agreement with Barry-Wehmiller on February 1, 1995. Consummation of the transaction is anticipated after completion of a review by the Federal Trade Commission. In exchange for assets, Barry-Wehmiller will assume the \$23 million in liabilities of the Akron, OH-based packaging operations.

Item 7. Financial Statements and Exhibits.

(a) Pro Forma Financial Information

- (1) Pro forma balance sheet as of September 30, 1994.*
- (2) Pro forma income statement for the nine months ended September 30, 1994.*
- (3) Pro forma income statement for the year ended December 31, 1993.*

* The Pro Forma Financial Information is on pages 4-6 of this Current Report on Form 8-K.

(b) Exhibits

- (2) (A) Amendment to Acquisition Agreement, dated February 7, 1995, by Figgie International Inc. and SASIB S.p.A.**
- (2) (B) Acquisition Agreement, dated December 23, 1994, by Figgie International Inc. and SASIB S.p.A.**
- (2) (C) Definitive Agreement, dated February 1, 1995, by Figgie International Inc. and Barry-Wehmiller Acquisition Corp.**

- 2 -

** Schedules and Exhibits are omitted.

- 3 -

Figgie International
Pro Forma Condensed Consolidated Balance Sheet
As of September 30, 1994

<TABLE>

<CAPTION>

	As Reported	Packaging	ALFA	Total Packaging & ALFA(1)	Other Adjustments	Total Adjustments	As Adjusted
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS							
Current Assets:							
Cash and cash equivalents	32,014	(1,042)	(7)	(1,049)	12,575 (3)	11,526	43,540
Marketable securities	36,779	0	0	0		0	36,779
Accounts receivable, net	139,625	(11,911)	(3,335)	(15,246)		(15,246)	124,379
Finance receivables	4,794	0	0	0		0	4,794
Inventories	104,428	(17,886)	(2,870)	(20,756)		(20,756)	83,672
Prepaid expenses and other	30,587	(1,248)	(2,239)	(3,487)		(3,487)	27,100
Recoverable income taxes	8,107	(3,629)	0	(3,629)	7,000 (2)	3,371	11,478
Net assets related to discontinued operations	59,194	0	0	0		0	59,194
Total current assets	415,528	(35,716)	(8,451)	(44,167)	19,575	(24,592)	390,936
PROPERTY, PLANT & EQUIPMENT - NET	264,226	(8,121)	(4,785)	(12,906)		(12,906)	251,320
OTHER ASSETS							
Investments in affiliates	2,463	(368)	(1)	(369)		(369)	2,094
Goodwill	38,116			0		0	38,116
Prepaid pension costs	12,007		(107)	(107)		(107)	11,900
Long-term finance receivables	23,685		(1,406)	(1,406)		(1,406)	22,279
Other	94,393	(1,552)		(1,552)		(1,552)	92,841
	170,664	(1,920)	(1,514)	(3,434)	0	(3,434)	167,230
Total Assets	850,418	(45,757)	(14,750)	(60,507)	19,575	(40,932)	809,486
LIABILITIES AND STOCKHOLDERS' EQUITY							
Current Liabilities:							
Notes Payable	73,435	(588)	(2,398)	(2,986)		(2,986)	70,449
Current Maturities of long-term debt	137,203	(612)	(186)	(798)	(10,305) (3)	(11,103)	126,100
Accounts payable	101,738	(3,688)	(4,271)	(7,959)		(7,959)	93,779
Accrued salaries and wages	16,005	(760)	(957)	(1,717)		(1,717)	14,288
Other accrued expenses	72,443	(6,808)	(3,161)	(9,969)		(9,969)	62,474
Total current liabilities	400,824	(12,456)	(10,973)	(23,429)	(10,305)	(33,734)	367,090
LONG-TERM DEBT	242,296	(77)	(116)	(193)		(193)	242,103
DEFERRED FEDERAL INCOME TAXES	17,665	(380)		(380)		(380)	17,285
OTHER LONG-TERM LIABILITIES	33,012	(2)		(2)		(2)	33,010
Total Liabilities	693,797	(12,915)	(11,089)	(24,004)	(10,305)	(34,309)	659,488
STOCKHOLDERS EQUITY							

Original Investment	(51,026)		(51,026)	51,026(1)	0	0
Intercompany current	(45,431)	(653)	(46,084)	46,084(1)	0	0
Preferred Stock			0	0	0	0
Common Stock	1,838	(566)	(174)	(740)	740(1)	0
Capital surplus	121,471	(221)	(8,968)	(9,189)	9,189(1)	0
Retained earnings	70,329	57,999	6,081	64,080	(77,159)	(1,2)
Unearned compensation	(24,452)			0	0	0
Cumulative translation adjustment	(12,472)	6,403	53	6,456	0	6,456
Unrealized loss on investments	(93)			0	0	0
Total stockholders' equity	156,621	(32,842)	(3,661)	(36,503)	29,880	(6,623)
Total liabilities and stockholders' equity	850,418	(45,757)	(14,750)	(60,507)	19,575	(40,932)

<FN>

1. To Eliminate Alfa and Packaging from the consolidated Statements.

2. To record the sale of Alfa and Packaging.

Gross Proceeds	\$35,000
Less: Holdbacks	(5,000)
Operating Lease Pmts	(3,844)
Expense Escrow	(3,276)
Net Proceeds	22,880
Book Value	(42,959)
Pre-tax loss	(20,079)
Tax Benefit @ 35%	7,000
After tax loss	(\$13,079)

3. To record the cash flow impact of sale.

Net Proceeds	\$22,880
Paydown at debt	(10,305)
Increase in cash	12,575

</FN>

</TABLE>

Figgie International
Pro Forma Condensed Consolidated Income Statement
For the Nine Months Ended September 30, 1994

<TABLE>

<CAPTION>

<S>	As Reported <C>	Packaging <C>	ALFA <C>	Total Packaging & ALFA (1) <C>	Other Adjustments <C>	Total Adjustments <C>	As Adjusted <C>
SALES AND OTHER INCOME							
FROM CONTINUING OPERATIONS:							
Net sales	557,664	(47,682)	(9,425)	(57,107)		(57,107)	500,557
Other income / (expense)	(25)	164	(54)	110		110	85
Total sales and other income	557,639	(47,518)	(9,479)	(56,997)		(56,997)	500,642
COSTS AND EXPENSES							
FROM CONTINUING OPERATIONS:							
Cost of sales	474,452	(42,304)	(7,583)	(49,887)		(49,887)	424,565
Selling, general, and administrative expenses	119,213	(15,229)	(1,508)	(16,737)		(16,737)	102,476
Bad debt expense	1,805			0		0	1,805
Interest expense, net	31,770	108	(193)	(85)		(85)	31,685
Restructuring charges	1,474	0		0		0	1,474
Total costs and expenses	628,714	(57,425)	(9,284)	(66,709)	0	(66,709)	562,005
LOSS FROM CONTINUING OPERATIONS							
BEFORE PROVISION FOR TAXES							
ON INCOME	(71,075)	9,907	(195)	9,712	0	9,712	(61,363)
PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS							
Federal income tax benefit	(18,122)	3,584	0	3,584		3,584	(14,538)
State income tax benefit	0			0		0	0
NET LOSS BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR INCOME TAXES							
	(52,953)	6,323	(195)	6,128	0	6,128	(46,825)
NET LOSS FROM DISCONTINUED OPERATIONS							
	(1,098)	0			(19,207)	(1,2)	(19,207)

NET LOSS	(54,051)	6,323	(195)	6,128	(19,207)	(13,079)	(66,032)
EARNINGS (LOSS) PER COMMON SHARE FROM CONTINUING OPERATIONS	(\$2.98)			(\$2.63)			
EARNINGS (LOSS) PER COMMON SHARE FROM DISCONTINUED OPERATIONS	(\$0.06)			(\$1.08)			
EARNINGS (LOSS) PER COMMON SHARE ON NET INCOME	(\$3.04)			(\$3.71)			

<FN>

1. To Eliminate Alfa and Packaging from the consolidated Statements.

2. To record the sale of Alfa and Packaging.

Gross Proceeds	\$35,000
Less: Holdbacks	(5,000)
Operating Lease Pmts	(3,844)
Expense Escrow	(3,276)
Net Proceeds	22,880
Book Value	(42,959)
Pre-tax loss	(20,079)
Tax Benefit @ 35%	7,000
After tax loss	(13,079)

</FN>

</TABLE>

Figgie International
Pro Forma Condensed Consolidated Income Statement
For the Year Ended December 31, 1993

<TABLE>

<CAPTION>

	As Reported <C>	Packaging <C>	ALFA <C>	Total Packaging & ALFA (1) <C>	Other Adjustments <C>	Total Adjustments <C>	As Adjusted <C>
<S>							
SALES AND OTHER INCOME FROM CONTINUING OPERATIONS:							
Net sales	768,642	(79,870)	(10,946)	(90,816)		(90,816)	677,826
Other income / (expense)	(16,272)	2,885	(150)	2,735		2,735	(13,537)
Total sales and other income	752,370	(76,985)	(11,096)	(88,081)		(88,081)	664,289
COSTS AND EXPENSES FROM CONTINUING OPERATIONS:							
Cost of sales	673,116	(91,222)	(8,740)	(99,962)		(99,962)	573,154
Selling, general, and administrative expenses	163,623	(24,223)	(1,769)	(25,992)		(25,992)	137,631
Bad debt expense	2,864			0		0	2,864
Interest expense, net	34,998	342	(502)	(160)		(160)	34,838
Restructuring charges	51,005	(3,410)		(3,410)		(3,410)	47,595
Change in accounting estimate	77,344	(17,011)		(17,011)		(17,011)	60,333
Total costs and expenses	1,002,950	(135,524)	(11,011)	(146,535)	0	(146,535)	856,415
MINORITY INTEREST	51			0			51
LOSS FROM CONTINUING OPERATIONS BEFORE PROVISION FOR TAXES ON INCOME	(250,529)	58,539	(85)	58,454	0	58,454	(192,075)
PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS							
Federal income tax benefit	(65,053)	20,838	(14)	20,824		20,824	(44,229)
State income tax benefit	(6,142)			0		0	(6,142)
NET LOSS BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR INCOME TAXES	(179,334)	37,701	(71)	37,630	0	37,630	(141,704)
NET LOSS FROM DISCONTINUED OPERATIONS	(6,280)	0			(62,693)	(1,2)	(62,693)
NET LOSS BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR INCOME TAXES	(185,614)	37,701	(71)	37,630	(62,693)	(25,063)	(204,397)

CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR INCOME TAXES	5,839	0				5,839	
NET LOSS	(179,775)	37,701	(71)	37,630	(62,693)	(25,063)	(198,558)
EARNINGS (LOSS) PER COMMON SHARE FROM CONTINUING OPERATIONS	(\$10.09)						(\$7.97)
EARNINGS (LOSS) PER COMMON SHARE FROM DISCONTINUED OPERATIONS	(\$0.35)						(\$3.53)
EARNINGS PER COMMON SHARE FROM CHANGE IN ACCOUNTING FOR INCOME TAXES	\$0.33						\$0.33
EARNINGS (LOSS) PER COMMON SHARE ON NET INCOME	(\$10.00)						(\$11.17)

<FN>

1. To Eliminate Alfa and Packaging from the consolidated Statements.

2. To record the sale of Alfa and Packaging.

Gross Proceeds	35,000
Less: Holdbacks	(5,000)
Operating Lease Pmts	(3,844)
Expense Escrow	(3,276)
Net Proceeds	22,880
Book Value	(61,443)
Pre-tax loss	(38,563)
Tax Benefit @ 35%	13,500
After tax loss	(25,063)

</FN>

</TABLE>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on it behalf by the undersigned hereunto duly authorized.

FIGGIE INTERNATIONAL INC.

By: /s/ Steven L. Siemborski
Steven L. Siemborski
Senior Vice President and
Chief Financial Officer

Dated: February 22, 1995

- 7 -

Exhibit Index

Exhibit	Page
(2) (A) Amendment to Acquisition Agreement, dated February 7, 1995, by Figgie International Inc. and SASIB S.p.A.**	
(2) (B) Acquisition Agreement, dated December 23, 1994, by Figgie International Inc. and SASIB S.p.A.**	
(2) (C) Definitive Agreement, dated February 1, 1995, by Figgie International Inc. and Barry-Wehmiller Acquisition Corp.**	

AMENDMENT OF AGREEMENT OF PURCHASE AND SALE

THIS AMENDMENT OF AGREEMENT OF PURCHASE AND SALE (this "Amendment") made and entered into this 7th day of February, 1995 by and between FIGGIE INTERNATIONAL INC., a Delaware corporation ("Seller") and SASIB SpA, an Italian corporation ("Buyer").

WITNESSETH:

WHEREAS, on December 23, 1994, Seller and Buyer made and entered into that certain Agreement of Purchase and Sale pursuant to which, among other things, Seller agreed to sell and Buyer agreed to buy the Assets (the "Agreement"),

WHEREAS, Seller and Buyer desire to amend certain provisions of the Agreement as more particularly set forth herein,

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, the parties do hereby agree as follows:

1. Notwithstanding any provision of the Agreement to the contrary, the Acquired Sub Assets shall include (i) the accounts receivable of Figgie Mexico or Figgie International Mexico listed on Schedule 1 hereto which are accounts receivable of -----
the Packaging Business but not the Business, provided that except as expressly amended by the foregoing the last sentence of Section 1.2 shall continue to apply and (ii) amounts reflected on the books of Alfa as VAT tax claims or assets. In addition, notwithstanding the provisions of Section 2.3(a) of the Agreement, the computer software of Alfa which is currently reflected on its books as an intangible shall be valued at \$240,000.
2. The term "Guadalajara Value" shall mean \$2,300,000 U.S. Buyer agrees that it will not, nor will it permit any Affiliate to, sell or transfer all or any portion of the real estate located in Guadalajara, Mexico (the "Guadalajara Real Property"), except in a bona fide arms length sales transaction with a third party. In the event Buyer, or an Affiliate of Buyer, engages in one or more such transactions, Buyer, or its Affiliate, shall pay to Seller the Excess Proceeds of such sale until such time as Seller shall have

received, in the aggregate, \$1,300,000 pursuant to this provision. After Seller shall have received, in the aggregate, \$1,300,000 pursuant to this provision, Seller shall have no further interest in the Excess Proceeds. "Excess Proceeds" shall mean the Net Sales Proceeds received by Buyer, or its Affiliates, from the sale of the Guadalajara Real Property, or any portion thereof, in excess of the Threshold Amount. The "Net Sales Proceeds" shall mean the gross sales price for the Guadalajara Real Property, or any portion thereof, less all reasonable out-of-pocket costs actually incurred by Buyer or its Affiliates in connection with such sale, including without limitation, brokers' fees and expenses, closing costs, attorneys' fees and the fees of other professionals involved in such transaction, taxes on the proceeds of such sale and the cost of demolishing any improvements, but not including any costs of relocating Buyer's operations from the Guadalajara Real Property. The "Threshold Amount" shall mean the product obtained by multiplying the area of the Guadalajara Real Property, or the portion thereof sold, (measured in square meters) by \$69.00 ($\$2,300,000 / 33,219$ square meters). Buyer shall cause any Excess Proceeds to which Seller is entitled hereunder to be paid to Seller at the closing of the sale of the Guadalajara Real Property, or any portion thereof. Buyer acknowledges that the foregoing provisions create in Seller an interest in and, to the extent possible under Mexican law a lien upon, the Guadalajara Real Property and accordingly agrees to promptly take such reasonable actions as are possible under Mexican law in order to make such interest and, to the extent possible under Mexican law, lien of Seller a matter of public record. Such actions shall be subject to Seller's approval which shall not be unreasonably delayed or withheld. Until such approval is obtained from Seller, Buyer shall cause Figgie International Mexico to refrain from any sale, transfer or encumbrance of the Guadalajara Real Property.

3. The parties agree that the Preliminary Purchase

Price is \$35,000,000 consisting of a Fixed Price Component of \$21,486,000 and the parties best, good faith estimate of the Closing Date Net Book Value of \$13,514,000. The parties acknowledge that the Preliminary Purchase Price includes Inter-Company Payables in the aggregate amount of \$15,601,327, of which \$4,030,327 shall be paid by

3

Buyer directly to Alfa's banks pursuant to Schedule 2. On the Closing Date, Buyer shall (i) pay to, or on behalf of, Seller, at its direction, pursuant to Schedule 2 attached hereto, the sum of \$29,850,000, consisting of a portion of the Preliminary Purchase Price (less Buyer's deposit previously paid to Seller of \$150,000), and (ii) pay to the Escrow Agent the sum of \$5,000,000 pursuant to the Escrow Agreement consisting of the balance of the Preliminary Purchase Price.

4. Provided the Closing occurs by February 10, 1995, the parties agree that the Closing Balance Sheet and the Closing Date Net Book Value shall be prepared as of January 31, 1995, notwithstanding that the Closing Date shall be a date subsequent to such date. From and after January 31, 1995, the Business shall be operated for the account of Buyer.
5. Seller confirms that it is able to convey 100% of the Alfa shares and that the price adjustment provisions of Section 3.4 are not applicable.
6. The term "Escrow Amount" as defined in Section 2.2(e) is amended to mean Five Million Dollars (\$5,000,000) and the Escrow Agreement is amended as provided in Schedule 3 attached hereto.

In addition, Section 2.3(f) of the Agreement is amended by the addition of the following after the words "Section 2.3(f)" on line 13 of page 10 "up

to a maximum amount of \$2,500,000".

7. Notwithstanding the provisions of Section 1.2(f)(ii), the parties agree that the receivable currently reflected on the books of Figgie UK from the Iranian company Zam-Zam shall be an Acquired Sub Asset and that for purposes of both the Preliminary Purchase Price and the Final Purchase Price it shall be valued at \$871,000, provided that if the amount actually received by Figgie UK in respect of such receivable exceeds \$871,000, then the amount of such excess shall be paid to Seller promptly upon its receipt. As to such receivable, Buyer shall not have the right to cause Seller to purchase such account receivable if such account receivable remains unpaid, as otherwise provided in the first sentence of Section 8.6 of the Agreement. Buyer, or its Affiliates, shall bear all risk of collection associated with such receivable.

4

8. The allocation of the Preliminary Purchase Price required by Section 8.8 is attached hereto as Schedule 4.
9. Capitalized terms herein shall have the meaning ascribed to them in the Agreement, unless otherwise defined herein. Except as amended hereby, the Agreement shall continue in full force and effect as originally written.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf as of the date first above written.

FIGGIE INTERNATIONAL INC.

By:
Steven L. Siemborski,

Senior Vice President
and Chief Financial Officer

SASIB SpA

By:

Gian Carlo Vaccari,
Vice Chairman and Managing
Director

AGREEMENT OF PURCHASE AND SALE

BY AND BETWEEN

FIGGIE INTERNATIONAL INC.

AND

SASIB SpA

Dated as of December 23, 1994

TABLE OF CONTENTS

	Page
ARTICLE I	
ASSETS TO BE ACQUIRED	2
1.1 Assets To Be Acquired	2
1.2 Excluded Assets	3
1.3 Treatment of Liabilities	4
ARTICLE II	
PURCHASE PRICE	6
2.1 Purchase Price and Payment	6
2.2 Purchase Price Definitions	7
2.3 Purchase Price Adjustment	7

2.4	Alfa Purchase Price Adjustment	10
2.5	Inter-Company Payables	11
ARTICLE III	CLOSING	11
3.1	Closing Date	11
3.2	Proceedings at Closing	12
3.3	Deliveries by Seller to Buyer	12
3.4	Deliveries by Buyer to Seller	14
ARTICLE IV	REPRESENTATIONS AND WARRANTIES OF SELLER	15
4.1	Corporate Power and Authority; Effect of Agreement	15
4.2	Subsidiaries	15
4.3	Organization of the Subsidiaries	16
4.4	Financial Statements	16
4.5	Absence of Certain Changes or Events	17
4.6	Title to and Condition of Properties	17
4.7	Patents and Trademarks	18
4.8	Contracts	19
4.9	Litigation	20
4.10	Compliance with Laws	21
4.11	Environmental and Health/Safety Compliance	21
4.12	Employee Benefit Plans	23
4.13	Consents	24
4.14	Taxes	25
4.15	Labor Relations and Practices	25
4.16	Product Warranty and Product Liability	26
4.17	Backlog Contracts	26
4.18	Supply Requirement Contracts	26
4.19	Government Contracts	26
4.20	Brokers	27
ARTICLE V	REPRESENTATIONS AND WARRANTIES OF BUYER	27
5.1	Organization	27
5.2	Corporate Power and Authority; Effect of Agreement	27
5.3	Consents	27
5.4	Availability of Funds	28
5.5	Litigation	28
5.6	Purchase for Investment	28
5.7	Brokers	28

	Page	
ARTICLE VI	COVENANTS OF SELLER	28
6.1	Cooperation; Assignments	28
6.2	Conduct of Business	29
6.3	Access	30
6.4	Further Assurances	30
6.5	Release of Certain Liens	30
ARTICLE VII	COVENANTS OF BUYER	31
7.1	Cooperation by Buyer	31
7.2	Further Assurances	31
7.3	Post-Closing Access	31
ARTICLE VIII	ADDITIONAL COVENANTS	32
8.1	Acquired Subsidiary Taxes	32
8.2	Corporate Names	33
8.3	Transition Services	34
8.4	Non-Competition	34
8.5	Separate Agreement for Acquired Subsidiaries	35
8.6	Accounts Receivable	35
8.7	South Carolina Lease	36
8.8	Allocation of Purchase Price	36
8.9	Seller's Supplemental Disclosure Schedule	36
8.10	Relocation of Assets	37
8.11	South Carolina Environmental Matters	37
8.12	Guadalajara Appraisal	37
ARTICLE IX	CONDITIONS TO BUYER'S OBLIGATIONS	38
9.1	Representations, Warranties and Covenants of Seller	38
9.2	No Prohibition	38
9.3	Absence of Proceedings	38
9.4	Italian Antitrust	38
9.5	Title Insurance Policy	39
9.6	Survey	39
9.7	Third Party Consents	39
9.8	Opinion of Seller's Counsel	39
9.9	Delivery of Documents	39
ARTICLE X	CONDITIONS TO SELLER'S OBLIGATIONS	40
10.1	Representations, Warranties and Covenants of Buyer	40
10.2	No Prohibition	40
10.3	Further Action	40
10.4	Absence of Proceedings	40
10.5	Opinion of Buyer's Counsel	41
10.6	Italian Antitrust	41

10.7	Delivery of Documents	41
ARTICLE XI	EMPLOYMENT AND EMPLOYEE BENEFIT PLANS AND ARRANGEMENTS	41
11.1	Offer of Employment	41
11.2	Collective Bargaining and Other Agreements	43
11.3	Welfare Plans	43
11.4	Post-retirement Welfare Benefits	43

ii

		Page
11.5	Credited Service	43
11.6	Termination Obligations	43
11.7	Indemnification	44
11.8	Certain Employees	45
ARTICLE XII	TERMINATION PRIOR TO CLOSING	45
12.1	Termination	45
12.2	Effect on Obligations	46
ARTICLE XIII	MISCELLANEOUS	46
13.1	Survival	46
13.2	Indemnification	46
13.3	Interpretive Provisions	49
13.4	Entire Agreement	49
13.5	Successors and Assigns	49
13.6	Headings	49
13.7	Modification and Waiver	49
13.8	Expenses	50
13.9	Notices	50
13.10	Governing Law	51
13.11	Public Announcements	51
13.12	Bulk Transfer Laws	51
13.13	Jury Waiver	51
13.14	Counterparts	51
13.15	Third Party Beneficiaries	51
13.16	Certain Definitions	52

INDEX TO ANNEXES AND SCHEDULES

ANNEXES

- Annex 1 - List of machinery and equipment
- Annex 2 - Aggregate value of the Fixed Price Assets
- Annex 3 - Form of Escrow Agreement
- Annex 4 - Inter-Company Payables
- Annex 5 - Accounting Principles
- Annex 6 - Transition Services
- Annex 7 - Certain Akron Employees

SCHEDULES

- 1.1(a) - Goose Creek real property description
- 4.2 - Subsidiaries
- 4.4(c) - Material Liabilities of Acquired Subsidiaries
- 4.5 - Certain changes or events
- 4.6(a) - List of Property
- 4.6(b) - Encumbrances
- 4.6(c) - Condition of assets
- 4.7 - Patents and trademarks
- 4.8 - Contracts
- 4.9 - Pending litigation

- 4.10 - Compliance with laws re: permits
- 4.11 - Environmental and health/safety compliance
- 4.12(a)(i) - ERISA employee benefit plans
- 4.12(a)(ii) - Benefit arrangements
- 4.12(d) - Employee benefit claims
- 4.12(e) - Sufficiency of assets
- 4.12(g) - Adverse effect on benefits

iv

- 4.12(h) - Payments by Buyer deductible for federal income tax purposes
- 4.12(i) - Employee welfare plans
- 4.13 - Governmental consents, approvals, authorizations
- 4.14 - Taxes
- 4.15 - Labor relations and practices
- 4.16 - Product warranty and product liability
- 4.18 - Supply requirement contracts
- 11.1(b) - Employees
- 11.2 - Collective bargaining and other agreements

AGREEMENT OF PURCHASE AND SALE

This Agreement of Purchase and Sale (this "Agreement"), made and entered into this 23rd day of December, 1994, by and between FIGGIE INTERNATIONAL INC., a Delaware corporation ("Seller") and SASIB SpA, an Italian corporation ("Buyer");

W I T N E S S E T H:

WHEREAS, Seller, through its Figgie Packaging Systems Division and through various subsidiaries, including Alfa Costruzioni Meccaniche SpA ("Alfa"), Mojonnier do Basil Industria Comercio de Equipmentos Ltda. ("Mojonnier Brazil"), Figgie Packaging Systems Limited ("Figgie UK"), Figgie de Mexico, S.A. de C.V. ("Figgie Mexico"), Figgie International de Mexico S.A. de C.V. ("Figgie International Mexico") and Figgie Packaging Systems Pty. Ltd. ("Figgie Australia"), is engaged in the manufacture, sale, installation, service and repair of bottling and packaging equipment (the "Packaging Business");

WHEREAS, a portion of the Packaging Business is comprised of the beverage business conducted under the names "Geo. J. Meyer" and "Mojonnier" and which produces pressure fillers, carbonation equipment and processors-deareator equipment, and the labeller business conducted under the name "Alfa" which produces labellers, weighfillers, cappers and chuck and rolls (the beverage and the labeller portions of the Packaging Business are hereinafter referred to collectively as the "Business");

WHEREAS, Seller desires to sell and Buyer desires to buy the Business by (i) Seller's sale and Buyer's purchase of the shares of the capital stock owned by Seller of Alfa, Figgie UK, Figgie Mexico and Figgie International Mexico (the "Acquired Subsidiaries"), and (ii) Seller's, Mojonnier Brazil's, and Figgie Australia's (Mojonnier Brazil and Figgie Australia being herein collectively referred to as the "Selling Subsidiaries") sale and Buyer's purchase of certain assets;

WHEREAS, certain capitalized terms used herein are defined in Section 13.16 hereof.

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements, and upon the terms and subject to the conditions, hereinafter set forth, the parties do hereby agree as follows:

ARTICLE I

ASSETS TO BE ACQUIRED

1.1 Assets To Be Acquired. At the Closing, on the terms and subject to the conditions set forth in this Agreement, Seller shall sell, convey, transfer, assign and deliver, or shall cause the Selling Subsidiaries to sell, convey, transfer, assign and deliver to Buyer, or any Affiliates designated by Buyer pursuant to Section 13.5, and Buyer, or such Affiliates of Buyer, shall purchase and acquire all of Seller's and the Selling Subsidiaries' right, title and interest in and to any and all of the assets, claims, properties and rights used in the Business, and whether tangible or intangible and wherever located, except only those which are Excluded Assets (collectively, the "Assets"); provided that the Assets shall not include the assets, claims, properties or rights owned by the Acquired Subsidiaries (collectively the "Acquired Sub Assets"), it being understood that Buyer shall acquire control of the Acquired Sub Assets only through its acquisition of the Subsidiary Shares. Without limiting the generality of the foregoing, the Assets shall include the following:

(a) Subject to the South Carolina Lease, all of Seller's right, title and interest in and to certain improved real property located in Goose Creek, South Carolina and more fully described in Schedule 1.1(a) of the Disclosure Schedule delivered by Seller to Buyer pursuant hereto (the "Disclosure Schedule"), together with all buildings, structures and improvements situated thereon and all rights, easements and appurtenances pertaining thereto (the "South Carolina Real Property");

(b) All of Seller's or the Selling Subsidiaries' right, title and interest in the leased real property (the "Leased Real Property") described in Schedule 4.8 of the Disclosure Schedule;

(c) All machinery, equipment, vehicles, office furniture, tools and other tangible property;

(d) All materials and inventories, including, without limitation, inventories of work in process and inventories held by customers on a consignment basis, stores, patterns and molds, spare parts and finished goods;

(e) Subject to Section 8.6, all accounts receivable of the Business;

(f) Subject to Section 6.1, all of Seller's and the Selling Subsidiaries' rights under the Contracts, including, but not limited to, any sales contracts, contracts for the purchase of materials, contracts for services and supplies, and any options to purchase real or personal property;

2

(g) All Intellectual Property which is owned by, issued to or licensed to Seller or the Selling Subsidiaries and which is used in the Business;

(h) All of the shares of capital stock of the Acquired Subsidiaries owned by Seller or any of its Affiliates (collectively, the "Subsidiary Shares"); provided, however, that the purchaser of such shares may be designated by Buyer pursuant to and in accordance with Section 8.5;

(i) Subject to Section 6.1, all rights under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers, contractors and other third parties affecting any of the Assets;

(j) Subject to Section 6.1, all Permits related to or used in connection with the Assets, including, without limitation, the Permits listed on Schedule 4.10 of the Disclosure Schedule, held by Seller or any of the Selling Subsidiaries (to the extent permitted by applicable Law to be transferred) but excluding Permits exclusively relating to or exclusively used in connection with the Excluded Assets;

(k) All deferred and prepaid charges, sums and fees related to the Business;

(l) Any claims or causes of action relating to the Assets and any counterclaims, set-offs or defenses Seller or any of the Selling Subsidiaries may have with respect to any of the Assumed Liabilities;

(m) All goodwill relating to the Business; and

(n) All other assets of Seller or its Affiliates (other than Excluded Assets) used in the Business or reflected on the Base Financial Statements, except to the extent any of such assets have been sold or

disposed of in the ordinary course of business of the Business between the date of the Base Financial Statements and the Closing Date.

1.2 Excluded Assets. Notwithstanding anything in Section 1.1 to the contrary, the following items are specifically excluded from the Assets and from the Acquired Sub Assets being indirectly acquired through the acquisition of the Subsidiary Shares (and, if any of the following is held by any of the Acquired Subsidiaries, such Acquired Subsidiaries shall, at Seller's sole cost and expense, convey, pursuant to instruments of transfer reasonably acceptable to Buyer, the same to Seller or its designee prior to the Closing) (collectively, the "Excluded Assets"): (a) cash, cash deposits, marketable securities, and other cash equivalent investments of Seller and the Selling Subsidiaries (but the cash, cash deposits, marketable securities, and other cash equivalent investments of the Acquired Subsidiaries

3

shall not be Excluded Assets); (b) right to any tax refunds relating to Tax Returns filed or to be filed by Seller or any of its Affiliates with respect to tax periods ending on or prior to the Closing Date; (c) insurance policies (other than policies held by an Acquired Subsidiary and exclusively insuring that Acquired Subsidiary); (d) the name "Figgie" and any trade names, trademarks, service names, service marks or corporate symbols or logos utilizing such name; (e) the machinery and equipment listed in Annex 1 which are shown on such list as not being purchased by Buyer; and (f) accounts receivable of the Business which are (i) payable by Affiliates of Seller or (ii) payable over a period longer than six (6) months. For the avoidance of doubt, the parties also agree that the Excluded Assets include Seller's Cuyahoga Falls, Ohio facility, all businesses conducted therefrom, except the Business, all assets located at such facility, except only those related to the Business and designated pursuant to Section 8.10, and all assets of Seller's Packaging Business (except the Business) wherever located.

1.3 Treatment of Liabilities. (a) (i) For purposes of this Agreement, the term "Assumed Liabilities" shall mean only the following:

- (A) with respect to the Business as conducted by Seller and the Selling Subsidiaries:
 - (1) trade payables and accrued liabilities as of the Closing Date to those who have supplied

goods and services in the ordinary course to the Business prior to the Closing Date;

- (2) those Liabilities which arise on and after the Closing Date under any of the Contracts of the Business, whether or not such Contracts are required by the terms of Section 4.8 to be listed on Schedule 4.8 of the Disclosure Schedule, including any commissioning and installation obligations in respect of such Contracts; and
- (3) the repair and replacement obligations to customers of the Business in respect of products and services delivered by the Business prior to the Closing Date or which relate to Backlog Contracts provided that the Assumed Liabilities for these obligations shall be limited to the reserve therefor contained in the Final Balance Sheet.

(B) with respect to the Acquired Subsidiaries:

4

- (1) those Liabilities of the Acquired Subsidiaries which are of the type described in Section 1.3(a)(i)(A), and
- (2) those Liabilities of the Acquired Subsidiaries which have been incurred prior to the Closing Date in the ordinary course of business consistent with past practice, including Liabilities for Taxes and accrued compensation, provided that (x) the Assumed Liabilities for these Liabilities shall be limited to the reserve therefor set forth in the Final Balance Sheet and (y) in no event shall these Assumed Liabilities include any amounts payable by the Acquired Subsidiaries

to Seller or any of its Affiliates, except to the extent such Liabilities are Inter-Company Payables.

(ii) As of the Closing Date, Buyer shall assume or shall cause one or more of its Affiliates to assume and thereafter discharge and perform in accordance with their terms the Assumed Liabilities described in Section 1.3(a)(i)(A). From and after the Closing, Buyer shall indemnify Seller and its Affiliates and hold each of them harmless from and against any Damages incurred or suffered by any of them in respect of or arising out of any of the Assumed Liabilities in accordance with Section 13.2.

(b) (i) For purposes of this Agreement, the term "Retained Liabilities" shall mean: all Liabilities, other than the Assumed Liabilities, arising out of or relating to (A) Seller, (B) any of the Acquired Subsidiaries, (C) any other Affiliate of Seller, or (D) any of the current or past assets or operations (including any sold or discontinued assets or operations) of any of the foregoing of whatever kind or nature, whether due or to become due, contingent, absolute, direct, indirect, asserted, unasserted, whether arising prior to, and whether determined or indeterminable on, the Closing Date, and whether or not specifically referred to in this Agreement. By way of example, and not by way of limitation, the term "Retained Liabilities" shall include:

- (1) all Liabilities relating to or arising from the Excluded Assets;
- (2) except as otherwise provided in Section 1.3(a)(i)(B)(2), all Liabilities for all Taxes of Seller, its Affiliates, including the Acquired Subsidiaries, for periods prior to the Closing Date, including Pre-Closing Taxes;

- (3) all Liabilities relating to employee compensation and benefits and identified as Retained Liabilities in Article XI.
- (4) except as otherwise provide in Section 1.3(a)(i)(B)(2), all Environmental Liabilities

arising out of, resulting from or relating to (A) the ownership, operations or conduct of the Business, the Assets or the Subsidiaries and (B) a state of facts or conditions existing on or before the Closing Date;

- (5) except as otherwise provided in Section 1.3(a)(i)(B)(2), Legal Proceedings pending against Seller or its Affiliates, including the Subsidiaries, as of the Closing Date;
- (6) except as otherwise provided in Section 1.3(a)(i)(B)(2), all Liabilities arising out of breach of contract, violation of Law, or tortious conduct; and
- (7) except as provided in Section 1.3(a)(i)(A)(3) or 1.3(a)(i)(B)(2), all Liabilities arising out of services performed or products delivered by Seller or any of its Affiliates prior to the Closing Date.

(ii) As of the Closing Date, Seller shall assume and thereafter discharge and perform in accordance with their terms all Liabilities of the Acquired Subsidiaries which are not Assumed Liabilities.

(iii) Neither Buyer nor any Affiliate of Buyer is assuming nor will Buyer or any Affiliate be liable to Seller, its Affiliates, any Governmental Body or other third parties for any of the Retained Liabilities. From and after the Closing, Seller shall indemnify Buyer, the Acquired Subsidiaries and their Affiliates and hold each of them harmless from and against any Damages incurred or suffered by any of them in respect of or arising out of any of the Retained Liabilities in accordance with Section 13.2 hereof.

ARTICLE II

PURCHASE PRICE

2.1 Purchase Price and Payment. The purchase price for the Assets and the covenant not to compete ("Final Purchase Price") shall be the sum of (a) the aggregate value of the Fixed Price Assets, as calculated on Annex 2, plus the Guadalajara Value, (b) the Closing Date Net Book Value and (c) \$3,000,000 less the \$150,000 payment made to Seller on November 22, 1994 (the

"Deposit"). The Final Purchase Price shall be allocated as provided in Section 8.8. As close as practical prior to the Closing Date, the parties shall meet to prepare and agree upon their best, good faith estimate of the Closing Date Net Book Value, the sum of said estimate together with the Fixed Price Component being herein referred to as the "Preliminary Purchase Price". At the same time, the parties shall also meet to prepare and agree upon their best, good faith estimate of Inter-Company Payables. Immediately after the Closing, Buyer shall pay or cause to be paid to Seller or such of its Affiliates as are designated by Seller an amount equal to the amount of such estimate of Inter-Company Payables. The Preliminary Purchase Price shall be payable as follows: (d) on the Closing Date, the entire Preliminary Purchase Price less the Escrow Amount shall be paid by wire transfer of immediately available funds to such account or accounts as may be specified by Seller not later than three (3) Business Days prior to the Closing Date, and (e) on the Closing Date, the Escrow Amount shall be paid by Buyer into an account to be held in escrow pursuant to the terms and conditions of an escrow agreement in the form of Annex 3 hereto (the "Escrow Agreement"). The Deposit shall be returned by Seller to Buyer in the event the Closing does not occur as contemplated herein.

2.2 Purchase Price Definitions. For purposes of this Agreement, (a) the "Fixed Price Assets" shall mean the South Carolina Real Property, the real property owned by Alfa in Mantova, Italy, the real property owned by Figgie International Mexico in Guadalajara, Mexico and the machinery and equipment listed on Annex 1, which are not Excluded Assets, (b) the "Fixed Price Component" shall mean the sum of the amounts described in Section 2.1(a) and (c), (c) the "Closing Date Net Book Value" shall mean the amount obtained by subtracting (i) the net book value of the Assumed Liabilities from (ii) the net book value of the Adjustment Assets, as such values are determined pursuant to Section 2.3(a) and reflected in the Final Balance Sheet, (d) "Adjustment Assets" shall mean (i) the Assets other than those which are Fixed Price Assets and the Subsidiary Shares and (ii) the Acquired Sub Assets, other than those which are Fixed Price Assets, (e) the "Escrow Amount" shall mean Six Million Dollars (\$6,000,000), (f) the "Inter-Company Payables" shall mean those amounts payable as of the Closing Date by the Acquired Subsidiaries to Seller or its Affiliates as described on Annex 4 together with such changes as occur therein in the ordinary course of business consistent with past practice between the date of Annex 4 and the Closing Date and to the extent of the reserve therefor reflected in the Final Balance Sheet and (g) the "Guadalajara Value" shall have the meaning set forth in Section 8.12.

2.3 Purchase Price Adjustment. (a) Within sixty (60) days after the Closing Date, Seller shall prepare and deliver to Buyer a pro forma combined statement of the Adjustment Assets and the Assumed Liabilities of the Business as of the close of

business on the day immediately preceding the Closing Date, together with footnotes (the "Closing Balance Sheet"). The Closing Balance Sheet shall be prepared in accordance with United States generally accepted accounting principles ("GAAP"), except with respect to Alfa, in which case Italian GAAP shall be applied, and in accordance with such other accounting principles, practices and methodologies set forth in Annex 5 hereto, provided that in no event shall any value be assigned to any intangible assets, technologically obsolete inventory shall not be valued, and provided further the Closing Balance Sheet shall contain a reserve in an amount equal to a reasonable and good faith estimate of the expenses (if any) to be incurred after Closing by Buyer in order to perform any commissioning and installation obligations in respect of goods delivered by the Business prior to the Closing Date, it being understood that Buyer shall be responsible for performing such obligations even if its actual expenses in doing so are different from the amount of such reserve. The Closing Balance Sheet shall be audited by Arthur Andersen ("Andersen") in accordance with United States generally accepted auditing standards and shall be accompanied (within the 60-day period referred to above) by a letter report of Andersen rendering its opinion that the Closing Balance Sheet presents fairly in all material respects the Adjustment Assets and the Assumed Liabilities as of the close of business on the day immediately preceding the Closing Date on the basis of the accounting set forth in this Section 2.3(a).

(b) Buyer shall allow Seller and Andersen access to the business, books and records of Buyer and the Acquired Subsidiaries which are relevant to the Closing Balance Sheet, and shall cooperate and direct its personnel to cooperate with Seller and Andersen, to facilitate preparation and delivery of the Closing Balance Sheet and the accompanying letter report and in connection with the resolution of any disputes with respect thereto and the determination of the Final Balance Sheet. Buyer and its representatives shall be entitled to review all workpapers prepared subsequent to the date hereof relating to such audit, and to obtain access to the books and records of Seller or its Affiliates to the extent required in order to permit Buyer to review the Closing Balance Sheet and to resolve any disputes concerning same.

(c) The Closing Balance Sheet delivered by Seller to Buyer shall be the Final Balance Sheet and shall be conclusive and binding on the parties unless Buyer, within thirty (30) days after the delivery to Buyer of the Closing Balance Sheet, notifies Seller in writing that Buyer disputes any of the amounts set forth therein, specifying the nature of each dispute and the basis therefor (the "Dispute Notice"). The parties shall attempt in good faith

to reach agreement resolving all of the disputes set forth in the Dispute Notice within fifteen (15) days after the Dispute Notice is given by Buyer to Seller, in which event the Closing Balance Sheet, as amended to the extent necessary to

reflect the resolution of all such disputes, shall be the Final Balance Sheet and shall be conclusive and binding on the parties. If the parties are unable to resolve any or all of such disputes within the aforesaid 15-day period, the parties shall, promptly after the expiration of such time period, submit all unresolved disputes to a nationally recognized independent accounting firm mutually agreeable to the parties, which firm shall not have had, or anticipate having, a material relationship with either Buyer or Seller or their respective Affiliates within the two (2) years preceding, or within one (1) year after, the appointment (the "Arbiter"), for resolution. If the parties cannot agree on the selection of the independent accounting firm to act as Arbiter, either party may request the American Arbitration Association to appoint such a firm, and such appointment shall be conclusive and binding on the parties. Promptly, but no later than thirty (30) days after its acceptance of its appointment as Arbiter, the Arbiter shall determine, based solely on presentations by Buyer and Seller, and not by independent review, those items in dispute on the Closing Balance Sheet and shall render a written report as to the resolution of each dispute and the resulting calculation of the Final Balance Sheet and the Closing Date Net Book Value. In resolving any disputed item, the Arbiter may not assign a value to such item greater than the greatest value for such item claimed by either party or less than the smallest value for such item claimed by either party. The Arbiter shall have exclusive jurisdiction over, and resort to the Arbiter as provided in this paragraph (c) shall be the sole recourse and remedy of the parties against one another or any other person (including Andersen) with respect to, any disputes arising out of or relating to the Closing Balance Sheet and/or the Final Balance Sheet; and the Arbiter's determination shall be conclusive and binding on the parties and shall be enforceable in a court of law.

(d) The fees and expenses of Andersen shall be paid by Seller. The fees and expenses of KPMG Peat Marwick, the consultant employed by Buyer with respect to the transactions contemplated by this Agreement, shall be paid by Buyer. The fees and expenses of the Arbiter shall be borne equally by Seller and Buyer.

(e) As used herein, the term "Final Balance Sheet" shall mean (i) the Closing Balance Sheet if no Dispute Notice is given by Buyer

within the time period set forth in Section 2.3(c) or (ii) if the Dispute Notice is timely given and all of the disputed items are resolved by mutual agreement of the parties, the Closing Balance Sheet, as amended, if necessary, to reflect such resolution of all disputes, or (iii) if any or all of the disputed items are submitted to the Arbiter for resolution, the Closing Balance Sheet, as amended, if necessary, to reflect any resolution of any disputes by mutual agreement of the parties and the resolution of all other disputes by the Arbiter.

(f) If the Final Purchase Price exceeds the Preliminary Purchase Price, Buyer shall pay Seller the amount of such excess, and if the Final Purchase Price is less than the Preliminary Purchase Price, Seller shall pay Buyer the amount of such difference, in each case together with interest thereon from the Closing Date to the date of payment at the annual rate of five percent (5%) (the "Interest Rate"). Any payments to be made pursuant to this Section 2.3(f) shall be made within five (5) Business Days after the date on which the Final Balance Sheet is determined. Any payments to be made by Buyer pursuant to this Section 2.3(f) shall be made by wire transfer of immediately available funds to such account as may be designated by Seller and any payments to be made by Seller pursuant to this Section 2.3(f) shall be made by Buyer and Seller causing the amount payable to be disbursed to Buyer pursuant to the Escrow Agreement and, if Seller's obligation exceeds the amounts paid to Buyer pursuant to the Escrow Agreement, such excess payment shall be made by Seller by wire transfer of immediately available funds to such account as may be designated by Buyer.

2.4 Alfa Purchase Price Adjustment. If on the Closing Date Seller shall not own 100% of the Alfa shares and shall convey less than 100% of the Alfa shares to Buyer or an Affiliate of Buyer as directed by Buyer, the Preliminary Purchase Price and the Final Purchase Price shall be reduced to reflect that Buyer or its Affiliate is not purchasing 100% of the Alfa shares. Such reduction in the Preliminary Purchase Price and the Final Purchase Price shall be made by applying the Reduction Percentage to the value of the Fixed Price Assets owned by Alfa and the Closing Date Net Book Value attributable to Alfa in the calculation of the Preliminary Purchase Price and Final Purchase Price as provided above. As used herein, the term "Reduction Percentage" shall mean the percentage obtained by dividing the number of Alfa shares not being purchased by Buyer or an Affiliate of Buyer by the total number of Alfa shares. Notwithstanding any other provision of this Agreement to the contrary, Buyer

shall be obligated to proceed with the Closing if Seller is able to sell, on the terms hereof, at least 89% of the share capital of Alfa, provided that all other conditions to the obligations of Buyer have been satisfied or waived. Seller shall also, if Seller shall not have acquired all of the shares covered thereby, use its best efforts to assign to Buyer all of Seller's right to purchase certain shares of Alfa pursuant to that certain Stock Purchase Agreement, dated March 10, 1994, between Ireneo Orlandi and Seller (the "Orlandi Agreement"). If Seller shall not be able to assign the Orlandi Agreement, Seller shall nevertheless acquire the shares under the Orlandi Agreement and immediately after acquiring such shares Seller shall deliver such shares to Buyer. In connection with Buyer's acquisition of the Orlandi shares (directly or indirectly), Buyer shall be responsible for the purchase price of the shares to be acquired under the Orlandi Agreement (subject to reduction of the Preliminary Purchase Price and the Final Purchase Price as provided herein) and Seller and Buyer shall enter into

10

such reasonably acceptable agreements as are necessary to effect the simultaneous purchase of the shares under the Orlandi Agreement, the delivery of such shares to Buyer, and, if applicable, the simultaneous consummation of the Closing under this Agreement. In the event Buyer shall purchase (directly or indirectly) the shares covered by the Orlandi Agreement, Seller shall cause all Encumbrances (except any rights of first refusal or preemptive rights applicable to Buyer's transfer of such shares) against the shares covered by the Orlandi Agreement to be released and the Preliminary Purchase Price and Final Purchase Price shall be reduced by the amounts which Buyer will be required to pay to purchase the applicable Alfa shares pursuant to the Orlandi Agreement. It shall be a condition precedent to the parties' obligations to consummate the transactions contemplated by this Agreement that the other shareholders of Alfa shall have waived, on terms reasonably satisfactory to Buyer, any right of first refusal or pre-emptive rights they have with respect to the transfer of the Alfa shares on the Closing Date (but not as to any subsequent transfer by Buyer).

2.5 Inter-Company Payables. Notwithstanding the foregoing, Buyer shall have no obligation to assume any Inter-Company Payables or to pay the amount thereof if Buyer determines that the Preliminary Purchase Price or the Final Purchase Price would be materially increased thereby or if Buyer determines that such assumption and payment would otherwise have a material adverse effect on Buyer. Seller shall deliver to Buyer, by January 5, 1994, reasonably detailed information concerning the Inter-Company Payables. In the event Buyer determines that including Inter-Company Payables in Assumed

Liabilities would materially increase the Preliminary Purchase Price or the Final Purchase Price or would otherwise have a material adverse effect on Buyer, Buyer shall so notify Seller by January 21, 1995 and such notice shall set forth in reasonable detail the basis of Buyer's determination. Upon receipt of such notice, the parties shall commence good faith negotiations in an effort to reach agreement on a treatment of the Inter-Company Payables which is fair and equitable.

ARTICLE III

CLOSING

3.1 Closing Date. (a) The closing of the transactions contemplated hereby (the "Closing") shall take place at Jones, Day, Reavis & Pogue, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114 commencing at 9:00 a.m. on the later of January 31, 1995 or the second Business Day after the conditions set forth in Articles IX and X have been satisfied, or at such other time and/or place and/or on such other date as the parties may mutually agree (the "Closing Date"). For all purposes, including without limitation, financial accounting and tax purposes, the Closing shall be deemed to be effective as of 11:59 P.M. (Cleveland, Ohio

11

time) on the Closing Date. The parties shall exert best efforts to consummate the Closing on or before January 31, 1995.

(b) On the Business Day immediately preceding the Closing Date, the parties shall conduct a pre-closing at the offices of Jones, Day, Reavis & Pogue commencing at 9:00 a.m. at which each party shall present for review by the other parties copies in execution form of all documents required to be delivered by such party at the Closing.

3.2 Proceedings at Closing. All proceedings to be taken and all documents to be executed and delivered by Seller and its Affiliates in connection with the consummation of the transactions contemplated hereby shall be reasonably satisfactory in form and substance to Buyer and its counsel. All proceedings to be taken and all documents to be executed and delivered by Buyer and its Affiliates in connection with the consummation of the transactions contemplated hereby shall be reasonably satisfactory in form and substance to Seller and its counsel. All proceedings to be taken and all documents to be executed and delivered by all parties at the Closing shall be deemed to have

been taken, executed and delivered simultaneously, and no proceedings shall be deemed taken nor any documents executed or delivered until all have been taken, executed and delivered.

3.3 Deliveries by Seller to Buyer. At the Closing, Seller shall deliver, or shall cause to be delivered, to Buyer, or such of its Affiliates designated by Buyer under Section 13.5, the following:

(a) bills of sale and assignments, dated the Closing Date;

(b) a limited warranty deed, dated the Closing Date, duly executed by Seller and conveying the South Carolina Real Property and containing warranties from Seller against matters arising by, through or under Seller and against none other, subject only to the Permitted Exceptions;

(c) certificates evidencing the Subsidiary Shares, duly endorsed for transfer or accompanied by duly executed stock powers assigning the Subsidiary Shares, in blank, or other appropriate documentation reflecting assignment of Seller's interest therein;

(d) approvals, certifications or other documentation from or by Governmental Bodies necessary to evidence or signify the successful assignment or transfer to Buyer of all Permits relating to the Business or the Assets that are required by Law or this Agreement to be transferred prior to the Closing;

(e) patent, trademark and copyright assignment agreements, in recordable form dated the Closing Date;

12

(f) assignment and assumption agreements in respect of the Leased Real Property in each case dated the Closing Date and in a recordable form;

(g) the certificates signed by a duly authorized officer of Seller referred to in Section 9.1 hereof;

(h) the opinion of counsel for Seller referred to in Section 9.8 hereof;

(i) the Escrow Agreement duly executed by Seller;

(j) the Transition Agreement duly executed by

Seller;

(k) the South Carolina Lease duly executed by

Seller;

(l) the Permits, plans, surveys and documents related to the South Carolina Real Property and the other properties owned or leased by Seller or its Affiliates with respect to the Business and to the extent in Seller's or its Affiliates possession or control;

(m) such affidavits as the Title Company may reasonably request in order to insure title in accordance with the terms of this Agreement;

(n) any other approvals, certifications or other documentation required by Law to be issued by or from any Governmental Body evidencing or signifying approval or consent of such Governmental Body of or to the consummation of the transactions contemplated by this Agreement;

(o) evidence reasonably satisfactory to Buyer that Seller has complied with its obligations under Section 6.5 and that the consents required by Section 9.7 have been obtained;

(p) evidence reasonably satisfactory to Buyer that Seller has assumed and agreed to perform those Retained Liabilities described in Section 1.3(b) (i);

(q) evidence reasonably satisfactory to Buyer that the Subsidiaries have transferred to Seller or its Affiliates such of the Acquired Sub Assets included within the Excluded Assets;

(r) all required real estate tax transfer returns and affidavits required to transfer the South Carolina Real Property duly executed by Seller, as required by applicable Law.

(s) an affidavit from Seller stating under penalties of perjury the United States taxpayer identification

number of Seller and that Seller is not a foreign person within the meaning of Section 1445(b) (2) of the Code;

(t) the resignations of such directors and officers of the Acquired Subsidiaries as Buyer may request not later than five (5) days prior to the Closing Date;

(u) the assignment of the Orlandi Agreement and evidence that the shares covered by the Orlandi Agreement are free from any Encumbrance (except any rights of first refusal or preemptive rights on Buyer's transfer of such shares), if the Orlandi Agreement is to be assigned to Buyer; and

(v) all other agreements, certificates, documents and instruments referred to in Article IX hereof to be executed by Seller or any Affiliate of Seller on or prior to the Closing Date.

3.4 Deliveries by Buyer to Seller. At the Closing, Buyer shall deliver to Seller the following:

(a) immediately available funds in the amount of the Preliminary Purchase Price less the Escrow Amount by wire transfer as provided in Section 2.1 hereof;

(b) evidence that Buyer has deposited funds in the amount of the Escrow Amount into the escrow established pursuant to the Escrow Agreement as provided in Section 2.1 hereof;

(c) an assumption agreement pursuant to which Buyer, or one or more of its Affiliates, assumes all of the Assumed Liabilities described in Section 1.3(a) (i) (A);

(d) patent, trademark and copyright assignment agreements referred to in Section 3.3(e);

(e) Assignment and assumption of leases described in Section 3.3(f);

(f) the Transition Agreement;

(g) the South Carolina Lease;

(h) the Escrow Agreement duly executed by Buyer;

(i) the certificates referred to in Section 10.1 hereof signed by duly authorized officers of Buyer;

(j) the opinion of counsel for Buyer referred to

in Section 10.5 hereof;

(k) all required real estate transfer tax returns and affidavits required to transfer the South Carolina Real

14

Property duly executed by Buyer, or any permitted assignee, as required by applicable Law; and

(l) all other agreements, certificates, documents and instruments referred to in Article X hereof to be executed by Buyer or any Affiliate of Buyer on or prior to the Closing Date.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

4.1 Corporate Power and Authority; Effect of Agreement. (a) Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, is qualified to do business in all jurisdictions in which it is required to be so qualified, and has all requisite corporate power and authority to own or hold under lease the rights, properties and assets it purports to own or hold under lease and to carry on the Business as it is now conducted and to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by Seller of this Agreement and the consummation by Seller of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Seller.

(b) This Agreement has been duly and validly executed and delivered by Seller and constitutes the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except to the extent that such enforceability (i) may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar Laws relating to creditors' rights generally, and (ii) is subject to general principles of equity. The execution, delivery and performance by Seller of this Agreement and the consummation by Seller of the transactions contemplated hereby will not, with or without the giving of notice or the lapse of time, or both, (x) violate any provision of Law, rule or regulation to which Seller or any of the

Subsidiaries is subject, (y) violate any order, judgment or decree applicable to Seller or any of the Subsidiaries or (z) violate any provision of the Certificate of Incorporation or the By-laws, or equivalent organizational documents of Seller or any of the Subsidiaries.

4.2 Subsidiaries. At Closing, Seller shall own 100% of the issued and outstanding shares or quotas, as the case may be, of the Subsidiaries, except with respect to Alfa, as to which Seller shall own, at Closing, at least 89% of the issued and outstanding shares. Seller owns and at Closing will own the shares of capital stock or quotas, as the case may be, of the Subsidiaries free and clear of all Encumbrances. All of the

15

issued and outstanding shares of capital stock or quotas, as the case may be, of the Subsidiaries owned by Seller are validly issued, fully paid and non-assessable. Except as set forth in Schedule 4.2 of the Disclosure Schedule, there are outstanding no securities convertible into, exchangeable for, or carrying the right to acquire equity securities of any of the Subsidiaries, or subscriptions, warrants, options, rights or other arrangements or commitments obligating any Subsidiary to issue or dispose of any of its equity securities or any ownership interest therein. In the event Seller shall acquire additional shares of Alfa prior to the Closing, the foregoing representations and warranties shall be deemed made by Seller as to such additional shares.

4.3 Organization of the Subsidiaries. Each of the Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and has all requisite corporate power and authority to own, or hold under lease, the rights, properties and assets it purports to own or hold under lease and to carry on its business as it is now being conducted. Each of the Subsidiaries is duly qualified to do business and is in good standing as a foreign corporation in all jurisdictions where the nature of the property owned or leased by it, or the nature of the business conducted by it, makes such qualification necessary and the absence of such qualification would have a material adverse effect on the business or financial condition of such Subsidiary.

4.4 Financial Statements. (a) Seller has delivered to Buyer correct and complete copies of the unaudited balance sheets of the Business as of October 31, 1994 and the related unaudited statements of operations and cash flows for the ten (10) month period then ended (collectively, the "Base Financial Statements").

(b) The Base Financial Statements (i) are accurate and complete in all material respects, consistent with the books and records of the Business (which are accurate and complete in all material respects), (ii) have been prepared in accordance with the accounting principles which have been used by Seller's Packaging Business, consistently applied throughout the periods indicated, and (iii) fairly present the financial position, results of operations and cash flows of the Business at the date thereof and for the periods therein indicated.

(c) Except as and to the extent reflected in the Base Financial Statements or Schedule 4.4(c) of the Disclosure Schedule, none of the Acquired Subsidiaries had, as of the date of such financial statements, any material Liabilities of any nature, except those of the type described in Section 1.3(a)(i). Since the date of the Base Financial Statements, none of the Acquired Subsidiaries have declared or paid any dividends or transferred any of their assets to Seller or any of its Affiliates except as permitted in Section 1.2.

16

(d) Buyer acknowledges that Seller has made no representation as to the profitability of the Business and no such representation shall be inferred from this Section 4.4 or any other representation of Seller contained herein.

4.5 Absence of Certain Changes or Events. Except as set forth in Schedule 4.5 of the Disclosure Schedule, since the date of the Base Financial Statements, the Business has been conducted in all material respects only in the ordinary course of business consistent with past practices, and the Business has not (a) suffered any damage, destruction or casualty loss to its physical properties; (b) incurred or discharged any obligation or liability or entered into any other transaction except in the ordinary course of business consistent with past practice; (c) suffered any material adverse change to its results, financial condition or prospects; (d) increased the rate or terms of compensation payable or to become payable to its directors, officers or key employees or increased the rate or terms of any bonus, pension or other employee benefit plan covering any of its directors, officers or key employees, except in each case increases occurring in the ordinary course of business in accordance with its customary practices (including normal periodic performance reviews and related compensation and benefit increases) or as required by any pre-existing

Contract; (e) permitted any assets (whether real, personal or mixed, tangible or intangible) to be subjected to any Encumbrance; or (f) cancelled or waived any claims or rights of value or sold, transferred, distributed or otherwise disposed of any material assets.

4.6 Title to and Condition of Properties. (a) The items listed on Schedule 4.6(a) of the Disclosure Schedule constitute all of the machinery, equipment, vehicles, office furniture, tools and other tangible personal property, which have a net book value or replacement cost in excess of \$25,000, and all of the real property used in the Business.

(b) Except as set forth on Schedule 4.6(b) of the Disclosure Schedule, Seller and its Affiliates with respect to the Business have good title to all of the assets and properties which they purport to own, including, without limitation, the items listed on Schedule 4.6(a) of the Disclosure Schedule and those reflected on the Base Financial Statements), except for assets and properties sold or consumed in the ordinary course of business since the date of the Base Financial Statements, or, in the case of leased property, have a valid, subsisting, good and marketable leasehold estate, free and clear of Encumbrances, except (i) as set forth in Schedule 4.6(b) of the Disclosure Schedule, and (ii) liens for taxes and assessments not yet due (the matters set forth in the foregoing clauses (i) and (ii) being referred to herein as the "Permitted Exceptions"). Seller owns fee simple title in and to the South Carolina Real Property free and clear of

17

all Encumbrances created by, through or under Seller, subject only to the Permitted Exceptions.

(c) Except as set forth on Schedule 4.6(c) of the Disclosure Schedule, the tangible assets and properties of Seller and its Affiliates with respect to the Business (except the Excluded Assets) are in good operating condition, normal wear and tear excepted, and are all of the tangible assets used to conduct the Business as currently conducted.

4.7 Patents and Trademarks.

(a) The Intellectual Property comprise all of the intellectual property rights used in the operation of the Business as currently conducted. Schedule 4.7 of the Disclosure Schedule sets forth a complete and correct list of all: (i) patented or registered Intellectual Property and

pending patent applications or other applications for registrations of Intellectual Property owned or filed by or on behalf of Seller or its Affiliates with respect to the Business; (ii) all trade names and unregistered trademarks and service marks owned or used by Seller or its Affiliates with respect to the Business and material to the financial condition, operating results or operations of the Business; (iii) all unregistered copyrights, and mask works owned or used by Seller or its Affiliates with respect to the Business and material to the financial condition, operating results or operations of the Business; and (iv) all licenses or similar agreements or arrangements for the Intellectual Property to which Seller or its Affiliates with respect to the Business is a party, either as licensee or licensor, including, without limitation, material so-called "execute by opening" software licenses.

(b) Except as set forth in Schedule 4.7 of the Disclosure Schedule: (i) Seller or an Affiliate of Seller owns and possesses all right, title and interest in and to, or has a valid and enforceable license to use, the Intellectual Property used in the Business as currently conducted free and clear of all liens, licenses, security interests, encumbrances and other restrictions; (ii) no claim by any third party contesting the validity, enforceability, use or ownership of any of the Intellectual Property has been made, is currently outstanding or is, to Seller's Knowledge, threatened, and to Seller's Knowledge there are no grounds for the same; (iii) no loss or expiration of any part of the Intellectual Property is to Seller's Knowledge threatened or pending; (iv) neither Seller nor any Affiliate of Seller has received any written notice of any infringement or misappropriation by, or conflict with, any third party with respect to the Intellectual Property (including, without limitation, any demand or request that Seller or any Affiliate of Seller license any rights from a third party); and (v) in connection with the Business, to Seller's Knowledge, neither Seller nor any Affiliate of Seller has infringed, misappropriated or otherwise conflicted with any intellectual property rights or

18

other rights of any third parties and neither Seller nor any Affiliate of Seller is aware of any infringement, misappropriation or conflict which will occur as a result of the continued operation of the Business as currently conducted.

(c) All of the Intellectual Property is or will be owned by, or properly assigned or licensed to, Seller or an Affiliate of Seller at the time of the Closing, as set forth in Schedule 4.7 of the Disclosure Schedule. Except as set forth in Schedule 4.7 of the Disclosure Schedule, the

transactions contemplated by this Agreement will have no material adverse effect on the right, title and interest in and to the Intellectual Property. Seller and each Affiliate of Seller has taken all necessary and desirable action to maintain and protect the Intellectual Property and will continue to maintain and protect the Intellectual Property prior to the Closing so as to not materially adversely affect the validity or enforceability of the Intellectual Property.

4.8 Contracts. (a) For purposes of this Agreement, the term "Contract" means each contract or agreement, whether written or oral (including any and all amendments thereto), to which Seller or any Affiliate of Seller with respect to the Business is a party or by which Seller or any Affiliate of Seller with respect to the Business is bound. Schedule 4.8 of the Disclosure Schedule contains a true and correct list, as of the date hereof, of the following Contracts:

(i) any collective bargaining agreement or labor contract;

(ii) any distributorship, agency or manufacturer's representative agreement;

(iii) any open sales order, contract or firm quotation for more than \$100,000 ("Backlog Contracts");

(iv) any purchase order or requirements contract for more than \$20,000 ("Supply Requirements Contracts");

(v) any insurance policies for which Seller or any Affiliate of Seller with respect to the Business is a beneficiary or a named insured;

(vi) any equipment lease requiring annual expenditures of more than \$20,000;

(vii) any vehicle lease requiring annual expenditures of more than \$5,000;

(viii) any real estate lease;

(ix) any contract between Seller and any of its Affiliates, or between any Affiliates of Seller, related to the Business;

(x) any bond, letter of credit, or agreement of guarantee, surety or indemnification;

(xi) any license agreement (other than Intellectual Property license agreements);

(xii) any agreement or contract that restricts Seller or any Affiliate with respect to the Business from competing in any line of business with any other person anywhere in the world;

(xiii) any management, employment, consulting or severance contract with any officer, consultant, director, employee or other person or entity;

(xiv) any joint venture or partnership agreement;

(xv) any contract or agreement that involves capital expenditures of more than \$15,000; and

(xvi) any Contract which requires the payment or receipt of \$25,000 in any one year period or is otherwise material to the Business and is not of the type included in any of the foregoing clauses (i) through (xv).

(b) Except as set forth in Schedule 4.8 of the Disclosure Schedule, neither Seller, nor any Affiliate of Seller is in material default, and to Seller's Knowledge and to the knowledge of any Affiliate of Seller, none of the other parties thereto is in material default, under any of the foregoing Contracts.

(c) Prior to Closing, Seller shall provide to Buyer copies of all Contracts listed in Schedule 4.8 of the Disclosure Schedule.

4.9 Litigation. Except as set forth in Schedule 4.9 of the Disclosure Schedule, there is no Legal Proceeding pending against Seller or any Affiliate of Seller with respect to the Business. To Seller's Knowledge and to its Affiliates' knowledge, there is no Legal Proceeding threatened against Seller or any Affiliate of Seller with respect to the Business which, if adversely determined, would have a material adverse effect on the Business. Except as set forth in Schedule 4.9 of the Disclosure Schedule, none of Seller or any Affiliate of Seller with respect to the Business is subject to any outstanding orders, rulings, judgments or decrees.

4.10 Compliance with Laws. (a) Schedule 4.10 of the Disclosure Schedule lists all material Permits issued to Seller or any Affiliate of Seller with respect to the Business. Except as set forth in Schedule 4.10 of the Disclosure Schedule, (i) no other material Permit is necessary to lawfully conduct the Business as it is currently conducted, (ii) Seller and each Affiliate of Seller with respect to the Business is in material compliance with all Permits, Laws and Orders of Governmental Bodies, (iii) none of Seller or any Affiliate of Seller with respect to the Business has received written notice, or knows of the actual or threatened issuance of any notice, of such violation or alleged violation of any such Permits, Laws or Orders of Governmental Bodies, and (iv) none of Seller or any Affiliate of Seller with respect to the Business has received any written notice of any violation or alleged violation of any applicable federal or state antitrust Laws, in respect of which violation the period of limitations on liability has not expired.

(b) Except as set forth in Schedule 4.10, (i) the real estate owned or leased by Seller or any Affiliate with respect to the Business, including without limitation, the South Carolina Real Property, is covered by a valid and subsisting certificate of occupancy or similar Permit with respect to the occupancy and use of existing improvements located thereon, and (ii) the improvements on such real property and the uses to which Seller or any Affiliate of Seller are presently employing such improvements are not, and will not be prior to the Closing Date, in material violation of such certificates or applicable zoning and land use Laws or dependent upon variances, conditional use permits or similar approvals.

4.11 Environmental and Health/Safety Compliance.
Except as set forth in Schedule 4.11 of the Disclosure Schedule:

(a) each of Seller and any Affiliate of Seller with respect to the Business is and, to Seller's Knowledge, has at all times been in material compliance with all applicable Environmental Laws and Health/Safety Laws.

(b) each of Seller and any Affiliate of Seller with respect to the Business has obtained, maintained and materially complied with all environmental permits, licenses, authorizations or qualifications required for the operation, ownership and use of its (i) present businesses and (ii) presently owned or leased assets and properties.

(c) no Hazardous Materials have been generated, transported, stored, buried, dumped, treated, recycled or otherwise handled in

any way by any of Seller or any Affiliate of Seller with respect to the Business, except in compliance with applicable Laws and in a manner such that there has been or is no Release of any Hazardous Material).

21

(d) no Hazardous Materials are located on or beneath, contained in or otherwise form a part of the owned or leased assets or properties of any of Seller and any Affiliate of Seller with respect to the Business, except for those handled in compliance with applicable Laws and in a manner such that there has been or is no Release of any Hazardous Material).

(e) no PCBs or asbestos are or, to Seller's Knowledge, have been located on or beneath, contained in or otherwise form a part of the owned or leased assets or properties of any of Seller or any Affiliate of Seller with respect to the Business in a manner not in material compliance with applicable Laws.

(f) to Seller's Knowledge, there has been no prior use of the owned or leased assets or properties of any of Seller or any Affiliate of Seller with respect to the Business by any Person whereby Hazardous Materials were located on or beneath, contained in or otherwise formed a part of such assets or properties, except those handled in compliance with applicable Laws and in a manner such that there has been or is no Release of any Hazardous Material).

(g) there is no present, nor, to Seller's Knowledge, has there been any past, Release of Hazardous Materials on or from the owned or leased assets or properties of any of Seller or any Affiliate of Seller with respect to the Business or from assets or properties formerly owned or operated by any of Seller or any Affiliate of Seller with respect to the Business that have caused Hazardous Material to become located on or beneath, contained in or otherwise form a part of such properties.

(h) Seller has received no written information indicating that any person or entity, including any employee, may have materially impaired health as the result of the operation of the Business or as a result of the Release of Hazardous Materials from the assets or properties of any of Seller or any Affiliate of Seller with respect to the Business.

(i) neither Seller nor any Affiliate of Seller

with respect to the Business has treated, stored or disposed of any Hazardous Waste, as such term is used within the meaning of the Resource Conservation and Recovery Act of 1976, as amended, or similar applicable state or municipal Law, in violation of any applicable Laws.

(j) neither Seller nor any Affiliate of Seller with respect to the Business has received any notice from any governmental body or agency or other person or entity advising it that it is potentially responsible for response costs with respect to a Release or threatened Release of Hazardous Materials.

22

(k) no underground storage tanks are or have ever been located on any properties owned or leased by any of Seller or any Affiliate of Seller with respect to the Business.

(l) no administrative order or notice, consent order or decree, litigation, action, claim, settlement or citation with respect to Environmental Laws, Health/Safety Laws or Hazardous Materials exists with respect to or in connection with the operation of any of the assets or properties currently owned or leased by any of Seller or any Affiliate of Seller with respect to the Business.

4.12 Employee Benefit Plans.

(a) Schedule 4.12(a)(i) of the Disclosure Schedule lists each employee benefit plan as defined in Section 3(3) of ERISA or any comparable Law currently covering any current employee of the Business (an "Employee Benefit Plan"). Schedule 4.12(a)(ii) of the Disclosure Schedule lists each employment or severance contract or arrangement, each stock option plan, restricted stock plan, stock appreciation right plan, executive compensation practice and other executive perquisite, each plan or arrangement providing for insurance coverage, severance, termination or similar coverage and all written compensation policies and practices maintained by Seller or any Affiliate of Seller that covers any current or former employee, director or agent of the Business or any portion of the Business and that is not an Employee Benefit Plan (a "Benefit Arrangement").

(b) To Seller's Knowledge, each Employee Benefit Plan and each Benefit Arrangement being assumed by Buyer (the "Assumed Plan")

complies in all material respects, and has been operated and administered in all material respects in accordance with its terms and all applicable Laws. Except as required by Law, no Assumed Plan currently covers any former employee of the Business.

(c) Seller has delivered or made available to Buyer complete and correct copies of (i) each Employee Benefit Plan and each Benefit Arrangement, and (ii) with respect to each Assumed Plan, any trust agreements, funding agreements or insurance contracts relating thereto and, if applicable, the summary plan description currently in effect and all material modifications thereto.

(d) Except as set forth on Schedule 4.12(d) of the Disclosure Schedule, there are no actions or claims existing or pending (other than routine claims for benefits) or, to Seller's Knowledge, threatened with respect to any Assumed Plan.

(e) All contributions required to be made by Seller or any Affiliate of Seller under applicable law or the terms of any Assumed Plan to each Employee Benefit Plan and each

23

Benefit Arrangement have been made within the time prescribed by such law, plan, or arrangement. There does not exist any accumulated funding deficiency within the meaning of either Section 412 of the Code or Section 302 of ERISA as to any Assumed Plan maintained in the United States (the "U.S. Assumed Plan"), nor would there exist any such deficiency but for the application of an alternative minimum funding standard. There has not been issued any waiver of the minimum funding standards imposed by the Code with respect to any such U.S. Assumed Plan. Except as set forth on Schedule 4.12(e) of the Disclosure Schedule, the fair market value of the assets of each Assumed Plan that is a funded defined benefit pension plan or a funded foreign pension plan equals or exceeds the actuarial present value of all accrued benefits under such plan or arrangement (whether or not forfeitable), based on the actuarial assumptions used in the most recent valuation performed by the actuary for such plan or arrangement.

(f) No U.S. Assumed Plan is a "multiple employer" plan within the meaning of Section 4063 or 4064 of ERISA or a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA.

(g) Except as set forth on Schedule 4.12(g) of the

Disclosure Schedule, the execution and performance of the transactions contemplated by this Agreement will not result in an increase in the amount of compensation or benefits or accelerate the vesting or timing of payment of any benefits payable under an Assumed Plan to or in respect of any current or former employee of the Business or the beneficiary or dependent of any such current or former employee.

(h) Except as set forth on Schedule 4.12(h) of the Disclosure Schedule, to Seller's Knowledge, no amounts paid or payable by any of Buyer or any Affiliate of Buyer (including without limitation, the Acquired Subsidiaries) to current or former employees of the Business as a result of or in connection with the transactions contemplated by this Agreement will fail to be deductible for federal income tax purposes by reason of Section 280G of the Code, provided that no such amount paid or payable to any such employee shall exceed such employee's annual base salary.

(i) Except as set forth on Schedule 4.12(i) of the Disclosure Schedule or required by Law, neither Seller, nor any Affiliate of Seller, maintains, sponsors, or has any obligation to provide, any post-employment welfare, health, medical or life insurance benefits to any current or former employee of the Business.

4.13 Consents. Except as set forth in Schedule 4.13 of the Disclosure Schedule, no consent, approval or authorization of, or exemption by, or filing with, any Governmental Body (other than

pursuant to the HSR Act) is required in connection with the execution, delivery and performance by Seller or any Affiliate of Seller of this Agreement or the taking of any other action contemplated hereby, excluding, however, consents, approvals, authorizations, exemptions and filings, if any, which Buyer is required to obtain or make.

4.14 Taxes. (a) Except as set forth in Schedule 4.14 of the Disclosure Schedule, all Tax Returns required to be filed by or with respect to the Subsidiaries have been filed in a timely manner (taking into account all lawful extensions of due dates), all such Tax Returns are correct and complete and all Taxes due, or which may be due, with respect to the periods or events covered by such Tax Returns have been paid. Except as set forth in Schedule 4.14 of the Disclosure Schedule, there are no actions or proceedings pending or threatened with respect to any of the Subsidiaries concerning any Taxes.

(b) Seller is not a "foreign person" within the meaning of Section 1445(b) (2) of the Code, and Seller shall furnish Buyer at Closing with affidavits to that effect in form reasonably satisfactory to Buyer.

(c) Each Subsidiary is a foreign corporation, none of the Subsidiaries, other than Figgie International Mexico, is or ever has been a corporation described in Section 1504(d) of the Code, and none of the Subsidiaries is or ever has been subject to taxation pursuant to Sections 881 or 882 of the Code, or otherwise subject to taxation in the United States.

(d) None of the Assets has ever been the subject of a so-called "safe harbor lease" to which Reg. ss. 5c.158(f) (8) applies or applied. The transactions contemplated by this Agreement will not, in any respect, subject Buyer or its Affiliates to Section 1445 of the Code.

(e) Except as provided in Section 4.14(c), none of the Subsidiaries is or ever has been a member of a consolidated or affiliated group for purposes of taxation under any applicable Law. None of the Subsidiaries is a party to any tax sharing agreement or similar agreement with Seller or any Affiliate of Seller.

4.15 Labor Relations and Practices. (a) Except as set forth in Schedule 4.15 of the Disclosure Schedule, there are no material controversies pending or, to Seller's Knowledge, threatened, between Seller or any Affiliate of Seller with respect to the Business and their employees. Schedule 4.15 of the Disclosure Schedule contains a complete and accurate list of all labor arbitrations, equal employment opportunity, unfair labor practice charges and claims for unfair dismissal, if any, between Seller or any Affiliate of Seller with respect to the Business and

25

their employees or any of them, which occurred at any time within the last five years.

(b) Schedule 4.15 of the Disclosure Schedule contains a complete list of all collective bargaining agreements and other labor agreements to which Seller or any Affiliate of Seller with respect to the Business is a party. Except as set forth on Schedule 4.15 of the Disclosure Schedule, neither Seller nor any Affiliate of Seller with respect to the

Business is a party to any collective bargaining agreement or other labor agreement. Except as set forth on Schedule 4.15 of the Disclosure Schedule, there is not now any actual or, to Seller's Knowledge, threatened strike, picket, work stoppage or slowdown, or other material labor trouble with respect to any of the employees of Seller or any Affiliate of Seller with respect to the Business. Schedule 4.15 of the Disclosure Schedule contains a complete and accurate list of all open claims for worker's compensation, including the names of the claimants, the claim numbers, the potential dollar liabilities to the insurer or Seller or any Affiliate of Seller with respect to the Business and the amounts paid to date.

4.16 Product Warranty and Product Liability. Except as set forth on Schedule 4.16 of the Disclosure Schedule, there are no product warranty or product liability claims pending or, to Seller's Knowledge, threatened against any of Seller or any Affiliate of Seller with respect to the Business and, to Seller's Knowledge, there is no state of facts or the occurrence of any event forming the basis for any such product warranty, product liability or other tort claim. Schedule 4.16 of the Disclosure Schedule sets forth a complete and accurate summary of product liability claims made against any of Seller or any Affiliate of Seller with respect to the Business within the past five (5) years.

4.17 Backlog Contracts. Seller and each Affiliate of Seller which is party to any Backlog Contracts, as the case may be, has a reasonable expectation of being able to meet its obligations under the Backlog Contracts to which it is a party, in accordance with the terms of such Backlog Contracts.

4.18 Supply Requirement Contracts. Except as set forth on Schedule 4.18 of the Disclosure Schedule, each of the Supply Requirement Contracts is on commercially reasonable terms and none of the Supply Requirement Contracts require purchases by Seller or any Affiliate of Seller, as the case may be, in excess of their reasonably expected requirements.

4.19 Government Contracts. Neither Seller nor any Affiliate of Seller with respect to the Business is party to any contract, whether oral or written, with any Governmental Body.

4.20 Brokers. No Person has acted directly or indirectly as a broker, finder or financial advisor for Seller or any Affiliate of Seller in

connection with the negotiations relating to or the transactions contemplated by this Agreement and no Person is entitled to any fee, commission or like payment in respect thereof based in any way on any agreement, arrangement or understanding made by or on behalf of Seller or any Affiliate of Seller.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows:

5.1 Organization. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and has all requisite corporate power and authority to carry on its business as it is now being conducted, and to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

5.2 Corporate Power and Authority; Effect of Agreement. The execution, delivery and performance by Buyer of this Agreement and the consummation by Buyer of the transactions contemplated hereby have been duly authorized by all necessary corporate action. This Agreement has been duly and validly executed and delivered by Buyer and constitutes the valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except to the extent that such enforceability (i) may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar Laws relating to creditors' rights generally, and (ii) is subject to general principles of equity. The execution, delivery and performance by Buyer of this Agreement and the consummation by Buyer of the transactions contemplated hereby will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law, rule or regulation to which Buyer is subject, (ii) violate any order, judgment or decree applicable to Buyer or (iii) violate any provision of the Certificate of Incorporation or the By-laws of Buyer.

5.3 Consents. No consent, approval or authorization of, or exemption by, or filing with, any governmental authority (other than pursuant to the HSR Act and similar Italian Laws) is required in connection with the execution, delivery and performance by Buyer of this Agreement, or the taking of any other action contemplated hereby, excluding, however, consents, approvals, authorizations, exemptions and filings, if any, which Seller or any Affiliate of Seller is required to obtain or make.

5.4 Availability of Funds. Buyer will have available on the Closing Date sufficient funds to enable it to consummate the transactions contemplated by this Agreement.

5.5 Litigation. There is no Litigation pending or, to Buyer's knowledge, threatened (i) against Buyer or any of its Affiliates with respect to which there is a reasonable likelihood of a determination which would have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement, or (ii) which seeks to enjoin or obtain damages in respect of the consummation of the transactions contemplated hereby. Neither Buyer nor any of its Affiliates is subject to any outstanding orders, rulings, judgments or decrees which would have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement.

5.6 Purchase for Investment. Buyer is purchasing the Subsidiary Shares for investment and not with a view to any public resale thereof.

5.7 Brokers. No Person has acted directly or indirectly as a broker, finder or financial advisor for Buyer or any Affiliate of Buyer in connection with the negotiations relating to or the transactions contemplated by this Agreement and no Person is entitled to any fee, commission or like payment in respect thereof based in any way on any agreement, arrangement or understanding made by or on behalf of Buyer or any Affiliate of Buyer.

ARTICLE VI

COVENANTS OF SELLER

Seller hereby covenants and agrees with Buyer as follows:

6.1 Cooperation; Assignments. (a) From the date hereof and prior to the Closing, Seller will use its best efforts, and will cooperate with Buyer, to secure all necessary consents, approvals, authorizations, exemptions and waivers from third parties (including pursuant to the HSR Act and similar Italian Laws) as shall be required in order to enable Seller and its Affiliates to effect the transactions contemplated hereby, and will otherwise use its best efforts to cause the consummation of such transactions in accordance with the terms and conditions hereof.

(b) Notwithstanding anything herein to the contrary, to the extent that any Contract or any Permit included in the Assets is not capable of being assigned, transferred, subleased or sublicensed without the consent or waiver of the issuer thereof or the other party thereto or any third party, and

despite the exercise by Seller of its best efforts to obtain same such consent or waiver cannot be obtained, or if such assignment, transfer, sublease or sublicense would constitute a violation of any Law, this Agreement shall not constitute an assignment, transfer, sublease or sublicense thereof.

(c) If any such consent or waiver is not obtained or an assignment, transfer, sublease or sublicense would constitute a violation of Law, (i) Seller shall, or shall cause its Affiliates to, at Buyer's request, use their best efforts (x) to provide to Buyer the benefits of any such Contracts or Permits included in the Assets, (y) to cooperate in any arrangement designed to provide such benefits to Buyer and (z) to enforce for the account of Buyer any rights of Seller or any Affiliate of Seller arising from any such Contracts or Permits included in the Assets against such issuer or the other party or parties referred to therein, including the right to elect to terminate or not renew in accordance with the terms thereof on the advice of Buyer and (ii) Buyer shall perform the obligations of Seller or its Affiliate arising under such Contracts and Permits to the extent that by reason of the transactions consummated pursuant to this Agreement, Buyer has control over the resources necessary to perform such obligations and Buyer receives the benefit of such Contract or Permit.

6.2 Conduct of Business. (a) Except as may be otherwise contemplated by this Agreement, from the date hereof and prior to the Closing, Seller will cause the Business to (i) operate only in the ordinary course in substantially the same manner as heretofore conducted; (ii) preserve intact the present business operations, organization and goodwill of the Business; (iii) maintain its properties, machinery and equipment in good operating condition and repair, sufficient to enable the Business to operate in all material respects in the manner in which the Business is currently operated; (iv) continue all existing insurance policies (or comparable insurance) of or relating to the Business in full force and effect; (v) use its best efforts to keep available until the Closing the services of its present officers, employees and agents (as a group); and (vi) preserve its relationship with its lenders, suppliers, customers, licensors and licensees and others having business dealings with it such that the Business will not be impaired. In addition, Seller shall obtain Buyer's written consent prior to amending an existing Contract or entering into any additional Contract of the type described in Section 4.8(a)(i) through (xvi).

(b) Except as otherwise may be contemplated by this Agreement, Seller shall not, and shall cause its Affiliates

not to, do any of the following:

(i) (A) increase the rate of compensation payable or to become payable to any of the employees or agents of Seller or any Affiliate of Seller with respect to the Business,

29

other than in the ordinary course of business of the Business, or (B) amend in any material respect any Employee Benefit Plan or Benefit Arrangement to or in respect of any such employee or agent, other than as may be required to maintain compliance with ERISA and/or the Code;

(ii) (A) incur or become subject to, or agree to incur or become subject to, any material obligation or liability (contingent or otherwise) relating to Seller or any Affiliate with respect to the Business, except normal trade or business obligations (including Contracts) incurred in the ordinary course of business and consistent with past practice (except the type of Contract described in Section 4.8(a)(i) through (xvi), subject, however, to any dollar amounts set forth therein), (B) sell, assign, transfer, convey, lease or otherwise dispose of any of the Assets or the properties or assets of the Acquired Subsidiaries, other than inventory in the ordinary course of business and consistent with past practice, (C) cancel or compromise any material debt or claim, or waive or release any material right relating to the Business, or (D) acquire any material assets relating to the Business other than in the ordinary course of business; or

(iii) agree to do any of the foregoing.

6.3 Access. From the date hereof and prior to the Closing, Seller shall provide Buyer with any routine reports provided by the management of Seller and any Affiliate of Seller with respect to the Business promptly after the preparation of same, and with such other information as Buyer may from time to time reasonably request with respect to the Business and the transactions contemplated by this Agreement, and shall provide Buyer and its representatives reasonable access during regular business hours and upon reasonable notice to the properties, books and records of the Business as Buyer may from time to time reasonably request. All such information and access shall be subject to the terms and conditions of the confidentiality agreement previously entered into by Seller and Buyer (the "Confidentiality Agreement").

6.4 Further Assurances. At any time or from time to time after

the Closing, Seller shall, at the request of Buyer and at Buyer's expense, execute and deliver any further instruments or documents and take all such further action, or cause its Affiliates to do the same, as Buyer may reasonably request in order to evidence the consummation of the transactions contemplated hereby, including without limitation, preparing documents suitable for recordation in the U.S. Patent and Trademark Office, the U.S. Copyright Office and any other similar domestic or foreign agency or office.

6.5 Release of Certain Liens. Seller shall file, or cause to be filed, Form UCC-3 termination statements and obtain,

30

or cause to be obtained, any other releases, consents, waivers or similar documents necessary to release any Encumbrance on the Assets, the Subsidiary Shares, and the properties and assets of the Subsidiaries that is not a Permitted Exception or otherwise permitted herein.

ARTICLE VII

COVENANTS OF BUYER

Buyer hereby covenants and agrees with Seller as follows:

7.1 Cooperation by Buyer. From the date hereof and prior to the Closing, Buyer will use its best efforts, and will cooperate with Seller, to secure all necessary consents, approvals, authorizations, exemptions and waivers from third parties (including pursuant to the HSR Act and any similar Italian Law) as shall be required in order to enable Buyer to effect the transactions contemplated hereby, and will otherwise use its best efforts to cause the consummation of such transactions in accordance with the terms and conditions hereof. Nothing in this Agreement shall be construed to require Buyer or any of its Affiliates to divest or hold separate any portion of the Business or any portion of the business of Buyer or its Affiliates.

7.2 Further Assurances. At any time or from time to time after the Closing, Buyer shall, at the request of Seller and at Seller's expense, execute and deliver any further instruments or documents and take all such further action as Seller may reasonably request in order to evidence the consummation of the transactions contemplated hereby.

7.3 Post-Closing Access.

(a) From and after the Closing, Buyer shall provide Seller with reasonable access during normal business hours to the books and records of Buyer (other than books and records protected by the attorney-client privilege) to the extent relating to the Business prior to the Closing as is necessary in connection with personnel, legal, tax and regulatory matters relating directly to the Business.

(b) Buyer may take such action as it deems reasonably appropriate to separate or redact information unrelated to the Business from documents and other materials requested and made available pursuant to this Section and to condition access to such materials which are deemed confidential by Buyer upon the agreement by Seller in writing (i) not to disclose to any Person or use, and not to permit its Affiliates to disclose to any Person or use, such confidential information, and (ii) to obtain written

31

confidentiality agreements from each Affiliate who is given access to such confidential information.

ARTICLE VIII

ADDITIONAL COVENANTS

8.1 Acquired Subsidiary Taxes.

(a) (i) Buyer shall cause to be prepared and timely filed all required Tax Returns of the Acquired Subsidiaries for any period which ends on or before the Closing Date for which Tax Returns have not been filed or required to have been filed on or before such date and for taxable periods beginning before and ending after the Closing Date (Tax Returns for such latter periods being referred to herein as "Straddle Returns"). At least fifteen (15) days prior to the filing of any Tax Returns required to be filed by Buyer pursuant to the preceding sentence, Buyer shall submit copies of such returns to Seller for Seller's approval, which approval shall not be unreasonably withheld. In the event of a dispute with respect to any such Tax Returns, Buyer shall determine the final form of such returns. All such Tax Returns shall be prepared and all elections with respect to such returns shall be made, to the extent permitted by law, in a manner consistent with prior practice of the Acquired

Subsidiary involved.

(ii) Buyer shall timely cause to be paid all Taxes for the periods to which the Tax Returns to be filed pursuant to Section 8.1(a)(i) relate. Taxes to be caused to be paid by Buyer to the extent attributable to any period or portion of a period ending on or before the Closing Date shall be referred to herein as "Pre-Closing Taxes." Seller will pay to Buyer an amount equal to the Pre-Closing Taxes, in excess of any reserve therefor in the Final Balance Sheet, due with respect to any such Tax Return. In the case of a Straddle Return, Pre-Closing Taxes shall be calculated by Buyer on the basis of events through the close of business on the Closing Date and at least fifteen (15) days prior to the filing of a Straddle Return, Buyer shall submit to Seller for Seller's approval, which shall not be unreasonably withheld, Buyer's calculation of the Pre-Closing Taxes in respect of such Straddle Return. Any amounts owed by Seller to Buyer pursuant to this Section 8.1(a)(ii) shall be paid by Seller within the later of five (5) days of Buyer's request therefor or five (5) days prior to the date on which the related Tax is due.

(b) Seller will indemnify and hold harmless Buyer and its Affiliates against any and all Liability (including, without limitation, interest, additions to Tax and penalties) for Pre-Closing Taxes. Such indemnification shall be in accordance with Section 13.2.

32

(c) After the Closing Date, Buyer and Seller shall make available to the other, as reasonably requested, and to any Taxing Authority, all information, records or documents relating to Tax liabilities or potential Tax liabilities of any of the Acquired Subsidiaries for all periods and shall preserve all such information, records and documents until the expiration of any applicable statute of limitations or extensions thereof.

(d) In the event of any foreign Tax audits or assessments which may affect the Tax liabilities of any Acquired Subsidiary for which Seller would be liable under Section 8.1, Buyer shall provide Seller with notice of such audit or assessment and Seller shall indemnify Buyer in respect thereof in accordance with Section 13.2.

(e) Seller will indemnify and hold harmless Buyer and its Affiliates against any and all Liabilities which may be

imposed upon Buyer or any of its Affiliates under Treas. Regs. Section 1.1502-6 or any similar provision of any Law.

8.2 Corporate Names. (a) Subject to the provision of Section 8.2(b), Buyer acknowledges that, as between Buyer and Seller, Seller has the absolute and exclusive proprietary right to all names, marks, trade names, trademarks, service names and service marks (collectively "Names") incorporating "Figgie" or any similar Name and to all corporate symbols or logos (collectively "Logos") incorporating "Figgie" or any similar Name, all right to which and the goodwill represented thereby and pertaining thereto are being retained by Seller and are not included in the Assets. Subject to the provisions of Section 8.2(b), Buyer agrees that it will not, and will cause the Acquired Subsidiaries not to, use the Name "Figgie" or any similar Name or any Logo incorporating such Name or any similar Name in connection with the sale of any products or services or otherwise, and if any of the Assets or any of the assets of the Acquired Subsidiaries bears either such Name or Logo, Buyer shall or shall cause the appropriate Acquired Subsidiary, prior to the use or sale of such assets, to delete such Name or Logo or clearly and prominently indicate that it is no longer affiliated with Seller or any Affiliate thereof.

(b) For a period of one (1) year from the Closing Date (the "Window Period"), Buyer shall have the right to (i) use the "Figgie Packaging System" Name or Logo in connection with the Business and (ii) to use any assets on hand, including without limitation, any catalogs, invoices or packaging material, bearing the "Figgie Packaging System" Name or Logo, in each case without having to remove or obliterate the Name or Logo thereon. Immediately upon the expiration of the Window Period, Buyer shall cease to use such Name or Logo and shall remove such Name or Logo from such catalogs, invoices or packaging material or clearly and prominently indicate that "Figgie Packaging Systems" is not affiliated with Buyer or any Affiliate thereof.

8.3 Transition Services. At or prior to Closing, Buyer and Seller shall enter into a transition services agreement (the "Transition Agreement"), in form and substance reasonably acceptable to Seller and Buyer, pursuant to which Seller shall provide to Buyer management information system services substantially similar to the management information system services provided to the Business prior to the date hereof, which services are described on Annex 6 hereto. The Transition Agreement shall be for a term of six (6) months with an option by Buyer to extend the term for an additional three (3)

months and shall provide for a one-time database separation fee of \$35,000 and a monthly fee of \$11,000 and Buyer shall pay the cost of downloading from the VAX.

8.4 Non-Competition. (a) Seller agrees that for a period of two (2) years following the Closing Date, neither Seller nor any of its Affiliates will directly or indirectly manage, operate, control or participate in the ownership, management, operation or control of any business which manufactures or sells products which are the same as the products manufactured or sold by the Business as of the Closing Date within those geographical areas or markets in which Seller presently conducts, or has in the two (2) years prior to the Closing, conducted the Business. For these purposes, ownership of securities of a company whose securities are registered under the Securities Exchange Act of 1934, as amended, not in excess of 10% of any class of such securities shall not be considered to be competition with the Business. Further, Seller agrees that for a period of two (2) years following the Closing Date, neither Seller nor any of its Affiliates will directly or indirectly induce any person who was an employee of the Business on or after the Closing Date to terminate such employment relationship or employ such person while such person is in the employ of the Business or for one (1) year thereafter. The foregoing covenant not to compete shall not be interpreted either to limit or prohibit Seller's operation of the remaining portion of the Packaging Business (exclusive of the Business) in the manner in which it has been conducted in the past, or to limit or prohibit in any manner whatsoever any transferee of the remaining portion of the Packaging Business from competing against the Business.

(b) It is the desire and intent of the parties to this Agreement that the provisions of this Section 8.4 shall be enforced to the fullest extent permissible under the Laws and public policies applied in each jurisdiction in which enforcement is sought. If any particular provision or portion of this Section 8.4 shall be adjudicated to be invalid or unenforceable, such provision or portion of this Section 8.4 shall be deemed modified so that it shall be enforced to the greatest extent permissible, such modification to apply only with respect to the operation of such provision in the particular jurisdiction with respect to which such adjudication is made.

(c) The parties acknowledge that damages and remedies at law for any breach of this Section 8.4 will be inadequate and that Buyer shall be entitled to seek specific performance and other equitable remedies (including an injunction) and such other relief as a court may deem appropriate in addition to

any other remedies Buyer may have.

8.5 Separate Agreement for Acquired Subsidiaries. Seller agrees that Buyer may designate one or more of its Affiliates to be the transferee of the shares owned by Seller of the Acquired Subsidiaries, and, in such event, Seller will enter into such separate sale agreement with the designee as Buyer may reasonably propose; provided, that (i) neither the designation nor the entry into a separate sale agreement nor the consummation of the transactions contemplated thereby shall have any adverse consequences to Seller or any of its Affiliates (including without limitation any adverse tax consequences or any adverse effect on the ability of Buyer to consummate (or timely consummate) the transactions contemplated hereby), (ii) the provisions of such separate sale agreement shall not be inconsistent with this Agreement, and (iii) neither the designation nor the entry into a separate sale agreement nor the consummation of the transactions contemplated thereby shall release Buyer of its obligations hereunder.

8.6 Accounts Receivable. In the event any accounts receivable of Seller or any Affiliate of Seller with respect to the Business in existence on the Closing Date and included in the Assets or which are payable to any of the Acquired Subsidiaries shall remain unpaid beyond six (6) months from the date on which such account receivable was entered as such on the books and records of Seller or any Acquired Subsidiary, then within ten (10) days after Buyer's written notice to Seller specifying that such account receivable has been outstanding beyond six (6) months, Seller shall pay to Buyer the full amount of such outstanding account receivable in excess of the reserve for such account receivable in the Final Balance Sheet and Buyer shall assign such account receivable to Seller, at Seller's sole cost and expense. Buyer shall apply all payments received with respect to any accounts receivable to the oldest outstanding invoice relating to such account, unless the customer tendering such payment specifies in writing a different invoice which shall not have been suggested or requested by Buyer. Seller and Buyer acknowledge that certain accounts receivable are outstanding because of pending warranty repair claims relating to the equipment covered by such accounts receivable and that, subject to the limitations imposed by Section 1.3(a)(i)(A)(3), such warranty repairs are Assumed Liabilities and will be performed by Buyer. Schedule 4.16 of the Disclosure Schedule sets forth all such accounts receivable specifying the amount of such account receivable and a description of the pending warranty claim. Prior to Closing, Schedule 4.16 of the Disclosure Schedule shall be updated by Seller as necessary to reflect any additional accounts receivable which are outstanding because of

pending warranty repair claims. If, after reasonable efforts, Buyer shall not have completed any such warranty repair and any such account receivable related thereto remains outstanding beyond the 6-month period referred to above, Seller shall nevertheless pay to Buyer the full amount of such account receivable in excess of the reserve for such account receivable in the Final Balance Sheet.

8.7 South Carolina Lease. At or prior to Closing, Buyer or an Affiliate of Buyer and Seller shall enter into a lease (the "South Carolina Lease"), in form and substance reasonably acceptable to Seller and Buyer, pursuant to which Buyer or its Affiliate shall lease a portion of the South Carolina Real Property to Seller for a one (1) year period, it being understood that the economic terms of the South Carolina Lease have not yet been agreed upon and that the parties shall negotiate such terms in good faith and reach agreement thereon by the Closing Date.

8.8 Allocation of Purchase Price. Buyer and Seller hereby agree that the Preliminary Purchase Price of the Assets and the consideration for the Non-Competition Agreement will be allocated pursuant to the mutual agreement of the parties which agreement the parties will negotiate in good faith and conclude by the Closing Date. Subject to the requirements of any applicable Law, all Tax Returns and reports filed by Buyer and Seller shall be prepared consistently with such allocation. In the event the Final Purchase Price shall be different than the Preliminary Purchase Price, Buyer and Seller agree to adjust such allocation to reflect the Final Purchase Price and to file consistently any Tax Returns and reports required as a result of such adjustment.

8.9 Seller's Supplemental Disclosure Schedule. Seller may, from time to time prior to the Closing (but not later than five (5) days prior to the Closing), by written notice in accordance with this Agreement, supplement or amend the Disclosure Schedule to correct any matter which would constitute a breach of any representation and warranty herein contained. If Buyer determines that any matter disclosed in such supplemental disclosure would impose additional material burdens or risks upon Buyer upon the consummation of the transactions contemplated herein, Buyer shall promptly notify Seller of such matter and Seller shall have a reasonable period of time thereafter to resolve such matter, using Seller's best efforts, to Buyer's reasonable satisfaction. If such matter is not resolved to Buyer's reasonable satisfaction within thirty (30) days after Buyer has notified Seller of such matter, unless Buyer shall waive resolution of such matter, this Agreement shall be deemed to be terminated by mutual consent of the parties pursuant to Section 12.1(a). If such matter is resolved as provided above or if Buyer shall waive resolution of such matter, this Agreement shall continue in full force and effect and Seller's representations and warranties shall be deemed supplemented by such additional

disclosure. The Closing and the Closing Date shall be postponed as necessary to effect the foregoing provisions.

8.10 Relocation of Assets. Prior to the Closing, Seller shall cause those Assets listed on Annex 1 as being located in Seller's Cuyahoga Falls, Ohio facility and all inventory, spare parts, tools, jigs, customer lists, know-how, manuals, drawings and other assets of the Business located at the Cuyahoga Falls facility to be delivered to Seller's facility operated at the South Carolina Real Property. Seller shall, at Buyer's expense, prepare all such Assets for shipment and shall ship such Assets as directed by and at the expense of Buyer. Seller shall submit invoices to Buyer in respect of all such relocation expenses and Buyer shall pay such invoices promptly upon its receipt thereof.

8.11 South Carolina Environmental Matters. Prior to the Closing, Seller shall contact officials of the South Carolina Department of Health and Environmental Control and shall obtain from such officials a determination as to whether the lagoon located on the South Carolina Real Property is required to be closed. Seller shall promptly notify Buyer of such officials' determination and the basis therefor. If such determination requires closing of the lagoon, Seller shall, at Seller's sole cost and expense, close the lagoon in accordance with all directives of the applicable Governmental Bodies, including the timetable for such closure established by such Governmental Bodies, if any, otherwise such closure shall be completed promptly after the Closing. The foregoing activities by Seller at the South Carolina Real Property, if any, shall be conducted and completed by Seller in accordance with all applicable Laws. Prior to the Closing, Seller shall cause all friable asbestos in the improvements located at the South Carolina Real Property, if any, to be removed or encapsulated so that such asbestos shall be nonfriable on the Closing Date. Such removal or encapsulation shall be in accordance with all applicable Laws.

8.12 Guadalajara Appraisal. Prior to the date of this Agreement, Seller and Buyer have delivered to American Appraisal an authorization, dated September 30, 1994, to undertake the appraisal of the real property used in the Business in Guadalajara, Mexico and a further instruction letter, dated on or about the date hereof, clarifying the method of appraisal. Within fifteen (15) days after the date of this Agreement, Buyer and Seller shall cause American Appraisal Associates to complete its appraisal of such real estate in accordance with the original authorization and subsequent letter. Promptly after receipt of such final appraisal, the parties shall meet to discuss in good faith the results of such appraisal to determine a mutually acceptable value for such property for use in calculating the Preliminary

Purchase Price and the Final Purchase Price. The value resulting from such discussions is herein referred to as the "Guadalajara Value".

ARTICLE IX

CONDITIONS TO BUYER'S OBLIGATIONS

The obligations of Buyer to purchase the Assets shall be subject to the satisfaction (or waiver) on or prior to the Closing Date of all of the following conditions:

9.1 Representations, Warranties and Covenants of Seller. Seller shall have complied in all material respects with its agreements and covenants contained herein to be performed on or prior to the Closing Date, and all the representations and warranties of Seller contained herein shall be true in all material respects on and as of the Closing Date with the same effect as though made on and as of the Closing Date. Buyer shall have received a certificate of Seller (the "Seller's Certificate"), dated as of the Closing Date and signed by an executive officer of Seller, certifying as to the fulfillment of the conditions set forth in this Section 9.1.

9.2 No Prohibition. No Law or Order of any court, or administrative agency or other Governmental Body shall be in effect which prohibits Buyer from consummating the transactions contemplated hereby.

9.3 Absence of Proceedings. Any waiting period applicable to the purchase under the HSR Act shall have expired or been terminated, and no action or proceeding shall be pending by the Department of Justice or Federal Trade Commission challenging or seeking to enjoin the consummation of the transactions contemplated herein, and neither Buyer nor Seller shall have been notified of a present intention by the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, or the Federal Trade Commission (or their respective designees) to commence such an action or proceeding, and neither Buyer nor Seller shall have been notified by the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice or the Federal Trade Commission (or their respective designees) that an investigation of the transaction is continuing notwithstanding the expiration or termination of the waiting period applicable to the purchase under the HSR

Act; and there shall not be pending any legal proceeding commenced by any person or entity in which there is sought any order, injunction, ruling or decree by a court or administrative agency of competent jurisdiction, which would prohibit the consummation of the transactions contemplated by this Agreement or require Buyer to divest or hold separate any portion of the Business or any portion of the business of Buyer or its Affiliates.

9.4 Italian Antitrust. Buyer shall have received approval, clearance or an exemption from the applicable Governmental Body in connection with the antitrust laws of the Republic of Italy.

38

9.5 Title Insurance Policy. Buyer shall have received from a reputable national title insurance company selected by Buyer and reasonably acceptable to Seller (the "Title Company") for the South Carolina Real Property a commitment for an ALTA owner's policy of title insurance (Form B-1970) (the "Title Policy"), and insuring such property, in the amount of \$6,000,000 and insuring that upon the closing of the transactions described in this Agreement marketable, fee simple title to such property shall be indefeasibly vested in Buyer, or its permitted assignee, subject only to the Permitted Exceptions, which further insures any easements appurtenant to such properties, which includes a zoning endorsement (Form 3.0) and which deletes the preprinted survey, parties-in-possession, mechanic's lien and special tax exceptions, together with all of the other so-called "standard exceptions". The fees, expenses and premiums for such title commitment, title opinion and any zoning opinion required in connection with the zoning endorsement issued in connection therewith, and the Title Policy obtained by Buyer shall be shared equally by Buyer and Seller.

9.6 Survey. Buyer shall have received from a certified surveyor selected by Buyer and reasonably acceptable to Seller an ALTA/ACSM survey of the South Carolina Real Property which is sufficient to cause the Title Company to delete the standard survey exceptions from the Title Policy and which otherwise is in form and substance acceptable to Buyer. The fees and expenses of such surveyor shall be paid be shared equally by Buyer and Seller.

9.7 Third Party Consents. Consents to the assignment of the Contracts and Permits from Seller or any Affiliate of Seller to Buyer or Buyer's permitted assignee hereunder shall have been received from the other parties

thereto in form reasonably acceptable to Buyer and which permit Buyer to enjoy the benefit of such Contracts and Permits without increased cost resulting from such assignments. Schedule 4.8 of the Disclosure Schedule lists those Contracts and Permits which require consent to assignment.

9.8 Opinion of Seller's Counsel. Buyer shall have received an opinion or opinions of counsel for Seller, including the opinion of the General Counsel of Seller, dated the Closing Date, to the effect that (a) this Agreement and each of the documents and instruments executed by Seller and/or its Affiliates which are required to be delivered on or prior to the Closing have been duly authorized, executed and delivered by Seller and/or its Affiliates, as the case may be, and (b) that such documents and instruments are valid, binding and enforceable in accordance with their terms, subject to such assumptions, limitations, qualifications and exceptions as counsel for Seller shall set forth in such opinion.

9.9 Delivery of Documents. Buyer shall have received all of the documents required to be delivered to Buyer on or prior to the Closing pursuant to this Agreement and such additional

documents, instruments or items of information reasonably requested by it in respect of any aspect or consequence of the transactions contemplated hereby. All corporate and other proceedings, and all documents, instruments and other legal matters in connection with the transactions contemplated by this Agreement or by the other agreements referred to herein shall be reasonably satisfactory in form and substance to Buyer.

ARTICLE X

CONDITIONS TO SELLER'S OBLIGATIONS

The obligations of Seller to sell, or to cause its Affiliates to sell, the Assets shall be subject to the satisfaction (or waiver) on or prior to the Closing Date of all of the following conditions:

10.1 Representations, Warranties and Covenants of Buyer. Buyer shall have complied in all material respects with its agreements and covenants contained herein to be performed on or prior to the Closing Date, and all of the representations and warranties of Buyer contained herein shall be true in all

material respects on and as of the Closing Date with the same effect as though made on and as of the Closing Date. Seller shall have received a certificate of Buyer, dated as of the Closing Date and signed by an executive officer of Buyer (the "Buyer's Certificate"), certifying as to the fulfillment of the conditions set forth in this Section 10.1.

10.2 No Prohibition. No Law or Order of any court, administrative agency or other Governmental Body shall be in effect which prohibits Seller from consummating the transactions contemplated hereby.

10.3 Further Action. All consents, approvals, authorizations, exemptions and waivers from third parties that shall be required in order to enable Seller and its Affiliates to consummate the transactions contemplated hereby shall have been obtained.

10.4 Absence of Proceedings. Any waiting period applicable to the purchase under the HSR Act shall have expired or been terminated, and no action or proceeding shall be pending by the Department of Justice or Federal Trade Commission challenging or seeking to enjoin the consummation of the transactions contemplated herein, and neither Buyer nor Seller shall have been notified of a present intention by the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, or the Federal Trade Commission (or their respective designees) to commence such an action or proceeding, and neither Buyer nor Seller shall have been notified by the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice

40

or the Federal Trade Commission (or their respective designees) that an investigation of the transaction is continuing notwithstanding the expiration or termination of the waiting period applicable to the purchase under the HSR Act; and there shall not be pending any legal proceeding commenced by any person or entity in which there is sought any order, injunction, ruling or decree by a court or administrative agency of competent jurisdiction, which would prohibit the consummation of the transaction contemplated by this Agreement.

10.5 Opinion of Buyer's Counsel. Seller shall have received an opinion or opinions of counsel for Buyer, including the opinion of Buyer's in-house counsel, dated the Closing Date, to the effect that (a) this Agreement and each of the documents and instruments executed by Buyer and/or its Affiliates which are required to be delivered on or prior to the Closing have

been duly authorized, executed and delivered by Buyer and/or its Affiliates, as the case may be, and (b) that such documents and instruments are valid, binding and enforceable in accordance with their terms, subject to such assumptions, limitations, qualifications and exceptions as counsel for Buyer shall set forth in such opinion.

10.6 Italian Antitrust. Buyer shall have received approval, clearance or an exemption from the applicable Governmental Body in connection with the antitrust laws of the Republic of Italy.

10.7 Delivery of Documents. Seller shall have received all of the documents required to be delivered to Seller on or prior to the Closing pursuant to this Agreement and such additional documents, instruments or items of information reasonably requested by it in respect of any aspect or consequence of the transactions contemplated hereby. All corporate and other proceedings, and all documents, instruments and other legal matters in connection with the transactions contemplated by this Agreement or by the other agreements referred to herein shall be reasonably satisfactory in form and substance to Seller.

ARTICLE XI

EMPLOYMENT AND EMPLOYEE BENEFIT PLANS AND ARRANGEMENTS

11.1 Offer of Employment.

(a) Except as otherwise provided in this Article XI, Buyer shall offer employment as of the Closing Date to all of the Division Employees of the Business employed at Seller's Goose Creek, South Carolina facility and to such other Division Employees as it may select in its sole discretion, in each case at a rate of pay and with such benefits as shall be substantially

equivalent in the aggregate to such Division Employee's pay and benefits in effect on the Business Day immediately preceding the Closing Date, provided that Buyer shall not be required to provide benefits which are equivalent to those

available under the stock option, restricted stock, stock bonus, and employee stock ownership plans maintained by Seller or any Affiliate of Seller with respect to the Business. Buyer shall be solely responsible for all compensation and benefits accruing on or after the Closing Date with respect to Transferred Employees who were Division Employees. Except as provided in Section 11.6, Seller shall be solely responsible for all compensation and benefits with respect to current or former Division Employees who do not become Transferred Employees. In selecting employees to whom it will offer employment, Buyer covenants and agrees that it shall not violate any applicable Laws.

(b) Schedule 11.1(b) of the Disclosure Schedule lists all current employees of the Business on the date hereof, and sets forth each such employee's current rate of pay, position and status. Not later than January 10, 1995, Buyer shall provide to Seller a list of all Division Employees to whom Buyer intends to offer employment in accordance with Section 11.1(a). Seller shall provide to Buyer as of the Closing Date a statement of all accrued benefits for such Division Employees, including but not limited to vacation days, wages and other compensation and benefits under the Assumed Plans.

(c) Notwithstanding the foregoing, effective as of the Closing Date, Buyer shall make available to all Transferred Employees who were participating in Seller's group health and medical plans, group health and medical plan coverage under plans which are substantially equivalent to those currently enjoyed by such Transferred Employees. Such coverage shall contain no preexisting condition exclusions or limitations applicable to the Transferred Employees under the health and medical coverage offered by Buyer and shall not have a waiting period for such Transferred Employees with respect to eligibility to enroll and participate. If the employment of a Transferred Employee is terminated by Buyer on or after the Closing Date, Buyer shall provide such employee with the health and medical coverage under a "group health plan" within the meaning of Section 5000(b)(1) of the Code which is required to be provided to such employee by the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA Coverage"). Buyer shall not be required, however, to provide any such COBRA Coverage to any current or former employees of the Business who do not become Transferred Employees.

(d) Effective as of the Closing, Seller shall have terminated, or shall have caused its Affiliates to terminate, the employment of each Division Employee (i) to whom Buyer does not intend to offer employment in accordance with Section 11.1(a) or (ii) who has notified Seller in writing that he or she will not accept Buyer's offer of employment.

(e) Seller shall release or shall cause any Affiliate (except the Acquired Subsidiaries) to release any such employee who becomes a Transferred Employee from any "covenant not to compete" or similar agreement between Seller or any of its Affiliates (except the Acquired Subsidiaries) and such employee, but only with respect to, and to the extent of, such employee's employment by Buyer or any Affiliate of Buyer in the Business.

11.2 Collective Bargaining and Other Agreements. Except as set forth on Schedule 11.2 of the Disclosure Schedule, Buyer shall not assume as an Assumed Liability or be responsible for any obligations of any of Seller, or any Affiliate of Seller, which arise under any collective bargaining agreements, employment agreements or consulting agreements applicable to Division Employees.

11.3 Welfare Plans. Seller shall retain as a Retained Liability and be solely responsible for all claims incurred before the Closing Date by a Transferred Employee under any Employee Benefit Plan sponsored or maintained by Seller or any Affiliate of Seller that is an "employee welfare benefit plan" within the meaning of Section 3(1) of ERISA, except that Seller shall only retain as a Retained Liability such claims incurred before the Closing Date by a Transferred Employee under any such Employee Benefit Plan sponsored by the Acquired Subsidiaries to the extent such claims exceed the reserve therefor in the Final Balance Sheet.

11.4 Post-retirement Welfare Benefits. Seller shall retain as a Retained Liability and be solely responsible for any liabilities or obligations it has to provide any post-employment welfare, health, medical or life insurance benefits to any current or former Division Employee or any beneficiary or dependent of such a Division Employee. Buyer shall not assume any liability with respect to such post-employment benefits and shall not be required to provide any such post-employment benefits to Transferred Employees who were Division Employees.

11.5 Credited Service. Buyer shall credit to the Transferred Employees under all benefit plans, benefit arrangements and compensation policies and practices of Buyer all previous service recognized by any of Seller, or any Affiliate of Seller, with respect to such Transferred Employees under the Employee Benefit Plans and Benefit Arrangements immediately prior to the Closing Date. Buyer shall credit such service (i) for all purposes other than the accrual of benefits with respect to Transferred Employees who were Division Employees and (ii) for all purposes with respect to Transferred Employees who were Acquired Sub Employees.

11.6 Termination Obligations. Buyer shall be responsible for any payments that may be required to be made by Seller under applicable Law as a result of the termination of

employment of any Division Employee pursuant to Section 11.1(d) as provided herein. Concurrently with Buyer's delivery to Seller of the list of Division Employees to which Buyer intends to offer employment in accordance with Section 11.1(a), Buyer shall provide to Seller a schedule of the severance and termination payments to be made to the Division Employees entitled to such payments under applicable Law, which schedule shall set forth the identity of the Division Employees to be paid severance or termination payments and the payments due to each such employee, which payments shall be determined in accordance with applicable Law. Thereafter, Buyer shall promptly provide to Seller such other information as Seller may reasonably request in connection with such termination and severance payments. When instructed by Buyer, but in any event not later than the Closing Date, Seller shall pay the amounts to be paid to such Division Employees in accordance with the schedule provided by Buyer to Seller, provided that Buyer has theretofore deposited with Seller funds in an amount equal to Seller's obligations hereunder. Such funds deposited by Buyer with Seller pursuant to this Section 11.6 shall be used by Seller only in payment of the termination and severance payments described herein and Seller shall within ten (10) days after the Closing Date provide evidence reasonably acceptable to Buyer that all such payments have been made.

11.7 Indemnification.

(a) Except as provided in Section 11.6, Buyer shall indemnify, defend and hold Seller harmless from and against any Damages Seller may incur (including reasonable attorneys' fees) with respect to any claims (i) of Transferred Employees arising out of their employment with Buyer or any Affiliate of Buyer or, solely with respect to Transferred Employees who were Acquired Sub Employees, any Acquired Subsidiary, Buyer or Affiliate of Buyer, (ii) in connection with Liabilities assumed by Buyer under this Article XI, (iii) based upon termination of employment of Division Employees whose employment is terminated at the direction of Buyer, and (iv) arising out of any unlawful acts or omissions of Buyer or its agents in the selection of employees to whom Buyer shall offer employment. Such indemnification shall be in accordance with the provisions of Sections 13.2(b) and 13.2(c).

(b) Except as provided in Section 11.6, Seller shall indemnify, defend and hold Buyer harmless from and against any Damages Buyer may incur (including reasonable attorneys' fees) with respect to any claims (i) of Transferred Employees who were Division Employees arising out of their employment with any of Seller or any Affiliate of Seller, and (ii) in connection with Liabilities retained by Seller under this Article XI. Such

indemnification shall be in accordance with the provisions of Sections 13.2(a) and 13.2(c).

44

11.8 Certain Employees. Buyer shall have the right at any time prior to the Closing Date to offer employment to, and to conduct employment negotiations with, those employees of Seller employed at Seller's Cuyahoga Falls, Ohio facility and those field service engineers active in the Business who are identified on Annex 7 hereto; provided, however, in no event shall Buyer be required to employ or make any offer of employment to any such employee. As to any such employee who accepts any such offer of employment from Buyer, Seller agrees to release or to cause any Affiliate (except the Acquired Subsidiaries) to release such employee from any "covenant not to compete" or similar agreements by and between Seller or any of its Affiliates (except the Acquired Subsidiaries) and such employee, but only with respect to, and to the extent of, such employee's employment by Buyer or any Affiliate of Buyer in the Business. For the avoidance of doubt, the parties confirm their agreement that, except as otherwise provided in the last sentence of Section 11.1(a), Buyer shall have no liabilities of any nature for (a) any individuals listed on Annex 7 who decline an offer of employment from Buyer or (b) except for those individuals listed on Annex 7 who become employees of Buyer, any employees of Seller at its Cuyahoga Falls, Ohio facility or field service engineers even if some of such employees or engineers have from time to time rendered services to the Business.

ARTICLE XII

TERMINATION PRIOR TO CLOSING

12.1 Termination. This Agreement may be terminated prior to the Closing:

(a) By the mutual written consent of Buyer and Seller; or

(b) By either Seller or Buyer in writing, if the Closing shall not have occurred on or before February 28, 1995 (the "Termination Date"); provided that if the reason that the Closing shall not have occurred by the Termination Date is that the conditions set forth in Section 9.3, 9.4, 10.4 or 10.6 shall not have been satisfied or waived (including without limitation that the waiting period under the HSR Act shall not have expired or been

terminated), either Seller or Buyer may, at its option, by written notice to the other party on or prior to February 28, 1995, extend the Termination Date to a mutually agreeable date no later than March 31, 1995 in which case the Termination Date shall be extended to such mutually agreeable date; or

(c) By either Seller or Buyer in writing, if there shall have been a material breach by the other party of any of its representations, warranties, covenants or agreements contained herein and such breach results in a failure to satisfy a condition

45

to the terminating party's obligation to consummate the transactions provided herein.

12.2 Effect on Obligations. Termination of this Agreement pursuant to this Article XII shall terminate all obligations of the parties hereunder, except for the obligations under Sections 13.8 and 13.11 and the last sentence of Section 6.3; provided, however, that termination pursuant to paragraph (b) or (c) of Section 12.1 shall not relieve the defaulting or breaching party from any liability to the other party hereto.

ARTICLE XIII

MISCELLANEOUS

13.1 Survival. The representations and warranties made in any Section of this Agreement or in any agreement, certificate or other document executed in connection herewith (an "Ancillary Document", except the limited warranty deed delivered by Seller, the terms of which shall control the warranties contained therein) shall survive until 11:59 p.m., Cleveland, Ohio time on April 30, 1996 and shall thereupon expire together with any right to indemnification for breach thereof (except to the extent a written notice asserting a claim for breach of any such representation or warranty shall have been given prior to such date to the party which made such representation or warranty, in which case such representation and warranty shall survive, with respect to such claim only, until such claim is resolved whether or not the amount of the damages or expenses resulting from such breach has been finally determined). The foregoing time limitations shall apply only to the representations and warranties contained in this Agreement. There shall be no time or other limits on the indemnification obligations of the parties pursuant

to any covenant or agreement contained herein or in any Ancillary Agreement or arising under Section 13.2(a)(ii), Section 13.2(a)(iii) or Section 13.2(b)(ii).

13.2 Indemnification. (a) If the Closing shall occur, Seller shall indemnify Buyer and its Affiliates (including the Subsidiaries) and hold each of them harmless from and against all Damages which are incurred or suffered by any of them (i) by reason of the breach of any of the representations or warranties made by Seller herein or in any Ancillary Document, (ii) by reason of the failure by Seller to perform or comply with any of the covenants or agreements contained herein (including without limitation the covenants and agreements contained in Section 1.3(b) with respect to Retained Liabilities) or in any Ancillary Document to be performed or complied with by Seller or any of its Affiliates at Seller's direction or behest at or after the Closing, or (iii) by reason of Seller's failure to comply with any so-called bulk sales laws of any state. Any recovery by Buyer

and its Affiliates for indemnification arising out of Section 13.2(a)(i) shall be limited as follows: (A) Buyer and its Affiliates shall not be entitled to any recovery unless a claim for indemnification is made in accordance with Sections 13.1 and 13.2(c)(i) and within the time period of survival set forth in Section 13.1; and (B) Buyer and its Affiliates shall not be entitled to recover any amount for indemnification under (A) above unless and until the amounts which Buyer and its Affiliates are entitled to recover in respect of such claims exceeds, in the aggregate, \$750,000 (the "Deductible"), in which event the entire amount which Buyer and its Affiliates are entitled to recover in respect of such claims less the Deductible shall be payable. The Deductible shall not be applicable to any claim for indemnification relating to any covenant or agreement contained in this Agreement, including without limitation claims in respect of Retained Liabilities, or in any Ancillary Document or any claim relating to indemnification under Section 13.2(a)(iii). The maximum amount recoverable by Buyer and its Affiliates pursuant to this Section 13.2(a), except with respect to the Retained Liabilities as to which there shall be no limitation, shall not, in the aggregate, exceed fifty percent (50%) of the Final Purchase Price.

(b) If the Closing shall occur, Buyer shall indemnify Seller and its Affiliates and hold each of them harmless from and against all Damages which are incurred or suffered by any of them (i) by reason of the breach by Buyer of any of the representations or warranties made by Buyer herein or in any Ancillary Document, or (ii) by reason of the failure by Buyer

(or, from and after the Closing, where applicable, any of the Subsidiaries) to perform or comply with any of the covenants or agreements contained herein (including without limitation the covenants and agreements contained in Section 1.3(a) with respect to Assumed Liabilities) or in any Ancillary Document to be performed or complied with by any of them at or after the Closing; provided, however, that Seller and its Affiliates shall not be entitled to any recovery unless a claim for indemnification is made in accordance with Sections 13.1 and 13.2(c) (i) and within the time period set forth in Section 13.1.

(c) (i) In the event that any party shall incur or suffer any Damages in respect of which indemnification may be sought by such party pursuant to the provisions of this Section 13.2, the party seeking to be indemnified hereunder (the "Indemnitee") shall assert a claim for indemnification by written notice (a "Notice") to the party from whom indemnification is sought (the "Indemnitor") stating the nature and basis of such claim. In the case of Damages arising by reason of any third party claim, the Notice shall be given within thirty (30) days of the filing or other written assertion of any such claim against the Indemnitee, but the failure of the Indemnitee to give the Notice within such time period shall not relieve the Indemnitor of

47

any liability that the Indemnitor may have to the Indemnitee except to the extent that the Indemnitor is prejudiced thereby.

(ii) The Indemnitee shall provide to the Indemnitor on request all information and documentation within the Indemnitee's possession or control reasonably necessary to support and verify any Damages which the Indemnitee believes give rise to a claim for indemnification hereunder and shall give the Indemnitor reasonable access to all premises, books, records and personnel in the possession or under the control of the Indemnitee which would have a bearing on such claim.

(iii) In the case of third party claims for which indemnification is sought, the Indemnitor shall have the option (x) to conduct any proceedings or negotiations in connection therewith, (y) to take all other steps to settle or defend any such claim provided that the Indemnitor shall not settle any such claim without the consent of the Indemnitee if such settlement would (A) result in the imposition of a criminal fine or penalty on the Indemnitee, (B) result in the issuance of an injunction restraining future conduct by the Indemnitee or (C) result in Damages to the Indemnitee in excess

of the amount for which the Indemnitor is liable to indemnify the Indemnitee in respect of such claim, and (z) to employ counsel to contest any such claim or liability in the name of the Indemnitee or otherwise. In any event, the Indemnitee shall be entitled to participate at its own expense and by its own counsel in any proceedings relating to any third party claim. The Indemnitor shall, within thirty (30) days of receipt of the Notice, notify the Indemnitee of its intention to assume the defense of such claim. Until the Indemnitee has received notice of the Indemnitor's election whether to defend any claim, the Indemnitee shall take reasonable steps to defend (but may not settle) such claim. If the Indemnitor shall decline to assume the defense of any such claim, or shall fail to notify the Indemnitee within thirty (30) days after receipt of the Notice of the Indemnitor's election to defend such claim, the Indemnitee shall defend against such claim (provided that the Indemnitee shall not settle such claim without the consent of the Indemnitor, which consent shall not be unreasonably withheld). The expenses of all proceedings, contests or lawsuits in respect of such claims shall be borne by the Indemnitor but only if the Indemnitor is responsible pursuant hereto to indemnify the Indemnitee in respect of the third party claim. Regardless of which party shall assume the defense of the claim, the parties agree to cooperate fully with one another in connection therewith. In the case of a claim for indemnification made under Section 13.2(a) or 13.2(b), (a) if (and to the extent) the Indemnitor is responsible pursuant hereto to indemnify the Indemnitee in respect of the third party claim, then within ten (10) days after the occurrence of a final nonappealable determination with respect to such third party claim, the Indemnitor shall pay the Indemnitee, in immediately available funds, the amount of any Damages (or such portion thereof as the

Indemnitor shall be responsible pursuant to the provisions hereof, and (b) in the event that any Damages incurred by the Indemnitee do not involve payment by the Indemnitee of a third party claim, then, if (and to the extent) the Indemnitor is responsible pursuant hereto to indemnify the Indemnitee against such Damages, the Indemnitor shall within ten (10) days after agreement on the amount of Damages or the occurrence of a final nonappealable determination of such amount pay to the Indemnitee, in immediately available funds, the amount of such Damages (or such portion thereof as the Indemnitor shall be responsible pursuant to the provisions hereof).

13.3 Interpretive Provisions.

(a) For purposes of this Agreement, the Acquired

Subsidiaries shall be deemed to be Affiliates of Seller prior to the Closing and Affiliates of Buyer after the Closing. Any reference herein to Seller and its Affiliates shall be deemed to include a reference to Subsidiaries whether or not they are specifically referred to.

(b) As used herein, the plural form of any noun shall include the singular and the singular shall include the plural, unless the context requires otherwise. Each of the masculine, neuter and feminine forms of any pronoun shall include all such forms unless the context requires otherwise.

13.4 Entire Agreement. This Agreement (including the Disclosure Schedule, Exhibits and Annexes), and the Confidentiality Agreement constitute the sole understanding of the parties with respect to the subject matter hereof.

13.5 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereto. This Agreement may not be assigned by either party without the prior written consent of the other, except that Buyer may, at its election and upon five (5) days advance written notice to, but without the prior consent of Seller, assign to one or more of its Affiliates the right to purchase and take title to any or all of the Assets, provided that no such assignment by Buyer shall release Buyer of its obligations hereunder.

13.6 Headings. The headings of the Articles, Sections and paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction hereof.

13.7 Modification and Waiver. No amendment, modification or alteration of the terms or provisions of this Agreement shall be binding unless the same shall be in writing and duly executed by the parties hereto, except that any of the terms or provisions of this Agreement may be waived in writing at any

time by the party which is entitled to the benefits of such waived terms or provisions. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereof (whether or not similar). No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

13.8 Expenses. Except as otherwise provided herein, Seller and Buyer shall each pay all costs and expenses incurred by it or on its behalf in connection with this Agreement and the transactions contemplated hereby, including, without limiting the generality of the foregoing, fees and expenses of its own financial consultants, accountants and counsel. Each of Seller and Buyer shall pay one-half of all transfer, stamp and documentary taxes and fees imposed on the transfer of the Assets or in connection with the transactions contemplated by this Agreement.

13.9 Notices. Any notice, request, instruction or other document to be given hereunder by any party hereto to any other party shall be in writing and shall be given (and will be deemed to have been duly given upon receipt) by delivery in person, by electronic facsimile transmission, cable, telegram, telex or other standard forms of written telecommunications, by overnight courier or by registered or certified mail, postage prepaid,

if to Seller to:

Figgie International, Inc.
4420 Sherwin Road
Willoughby, Ohio 44094
Attention: Steven L. Siemborski
Telecopy: (216) 951-1724

with a copy to:

Figgie International, Inc.
4420 Sherwin Road
Willoughby, Ohio 44094
Attention: Mary Reeve, Esq.
Telecopy: (216) 953-2859

and with a copy to:

Calfee, Halter & Griswold
800 Superior Avenue
Suite 1800
Cleveland, Ohio 44114
Attention: Joseph K. Juster, Esq.
Telecopy: (216) 241-0816

if to Buyer to:

Sasib SpA
Via di Corticella, 8729
40128 Bologna, Italy
Attention: Mr. Mario Maestroni
Telecopy: (051) 529 483

with a copy to:

Jones, Day, Reavis & Pogue
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Attention: John P. Dunn, Esq.
Telecopy: (216) 579-0212

or at such other address for a party as shall be specified by like notice.

13.10 Governing Law. This Agreement shall be construed in accordance with and governed by the internal laws of the State of Ohio.

13.11 Public Announcements. Neither Seller nor Buyer shall make any public statements, including, without limitation, any press releases, with respect to this Agreement and the transactions contemplated hereby without the prior written consent of the other party (which consent shall not be unreasonably withheld) except as may be required by Law. If a public statement is required to be made by Law, the parties shall consult with each other in advance as to the contents and timing thereof.

13.12 Bulk Transfer Laws. Subject to Section 13.2(a), Seller shall not be required to comply with the provisions of any so-called bulk transfer law in any jurisdiction.

13.13 Jury Waiver. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY SUIT, ACTION, PROCEEDING, CLAIM, DEFENSE OR COUNTERCLAIM ARISING BETWEEN THE PARTIES HERETO UNDER OR IN CONNECTION WITH OR RELATING IN ANY WAY TO THIS AGREEMENT.

13.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument.

13.15 Third Party Beneficiaries. Nothing herein expressed or implied is intended to or shall be construed to confer upon or give any Person, other than the parties hereto and their successors, permitted assigns and

13.16 Certain Definitions. As used in this Agreement, the following terms have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Acquired Sub Assets" means all of the assets and properties of the Acquired Subsidiaries.

"Acquired Sub Employees" means all persons employed by the Acquired Subsidiaries immediately prior to the Closing Date.

"Acquired Subsidiaries" has the meaning set forth in the recitals hereof.

"Adjustment Assets" has the meaning set forth in Section 2.2.

"Affiliate" has the meaning specified in Rule 12b-2 of the General Rules and Regulations promulgated under the Securities and Exchange Act of 1934, as amended, and the rules and regulations of the United States Securities and Exchange Commission promulgated thereunder.

"Agreement" has the meaning set forth in the introductory paragraph.

"Alfa" has the meaning set forth in the recitals hereof.

"Ancillary Document" has the meaning set forth in Section 13.1 hereof.

"Andersen" has the meaning set forth in Section 2.3(a).

"Arbiter" has the meaning set forth in Section 2.3(c) hereof.

"Assets" has the meaning set forth in Section 1.1 hereof.

"Assumed Liability" has the meaning set forth in Section 1.3(a) hereof.

"Assumed Plan" has the meaning set forth in Section 4.12 hereof.

"Backlog Contracts" has the meaning set forth in Section 4.8(a) hereof.

"Base Financial Statements" has the meaning set forth in Section 4.4 hereof.

52

"Benefit Arrangement" has the meaning set forth in Section 4.12(a) hereof.

"Business" has the meaning set forth in the recitals hereof.

"Business Day" means any weekday on which nationally chartered banks in the City of Cleveland, Ohio are open for business.

"Closing" has the meaning set forth in Section 3.1.

"Closing Balance Sheet" has the meaning set forth in Section 2.3(a).

"Closing Date" has the meaning set forth in Section 3.1.

"Closing Date Net Book Value" has the meaning set forth in Section 2.2.

"Code" means the Internal Revenue Code of 1986, as amended.

"Confidentiality Agreement" has the meaning set forth in Section 6.3 hereof.

"Contracts" has the meaning set forth in Section 4.8 hereof.

"Damages" means all claims, suits, actions, judgements, losses, injuries, damages, fines, penalties, costs, expenses and liabilities (including reasonable attorneys' fees, consultants' fees, professionals' fees and expenses incident to the foregoing), including without limitation, remediation expenses, environmental damages, response costs (including without limitation, response costs under 42 U.S.C. ss. 9601 et seq. or any comparable state, local or international law), disbursements and court costs whether incurred by a party to this Agreement or a third party claiming against Buyer (including reasonable attorneys', consultants' and other professionals' fees and expenses incident to the foregoing).

"Deductible" has the meaning set forth in Section 13.2(a) hereof.

"Deposit" has the meaning set forth in Section 2.1 hereof.

"Dispute Notice" has the meaning set forth in Section 2.3(c) hereof.

"Division Employees" means all persons employed in the Business immediately prior to the Closing Date other than Acquired Sub Employees.

"Employee Benefit Plan" has the meaning set forth in Section 4.12(a) hereof.

"Encumbrance" means any lien, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal, easement, or other real estate declaration, covenant, condition, restriction or servitude, transfer restriction under any shareholder or similar agreement, encumbrance or any other restriction or limitation whatsoever.

"Environmental Law" means any law (statutory or case law), statutes, rules, codes, regulations and ordinances relating to pollution or protection of the environment, including of those relating to emissions, discharges, Releases or threatened Releases of pollutants, contaminants or Hazardous Materials or wastes into ambient air, surface water, ground water, land or other environmental medium.

"Environmental Liabilities" means any Damages, costs, expenses, debts or obligations related to, arising from or connected with Environmental Laws or Hazardous Materials, including without limitation, remediation expenses or response costs.

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

"Escrow Amount" has the meaning set forth in Section 2.2 hereof.

"Excluded Assets" has the meaning set forth in Section 1.2 hereof.

"Figgie Australia" has the meaning set forth in the recitals hereof.

"Figgie International Mexico" has the meaning set forth in the recitals hereof.

"Figgie Mexico" has the meaning set forth in the recitals hereof.

"Figgie UK" has the meaning set forth in the recitals hereof.

"Final Balance Sheet" has the meaning set forth in Section 2.3(e) hereof.

"Final Purchase Price" has the meaning set forth in Section 2.1 hereof.

"Fixed Price Assets" has the meaning set forth in Section 2.2 hereof.

"Fixed Price Component" has the meaning set forth in Section 2.2 hereof.

"Guadalajara Value" has the meaning set forth in Section 8.12 hereof.

"GAAP" has the meaning set forth in Section 2.3(a).

"Governmental Body" means any government or governmental or regulatory body, authority, department, commission, board, bureau, agency, court or instrumentality thereof, or political subdivision thereof, whether federal, state, local or foreign, or any agency or instrumentality thereof, or any court or arbitrator (public or private).

"Health/Safety Law" means (a) the Occupational Safety and Health Act of 1970 (29 U.S.C. Sections 651 et seq.) as amended through the Closing Date, and regulations promulgated thereunder; and (b) any other law relating to the protection of the health and safety of workers in the workplace.

"Hazardous Material" means (a) any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Sections 6901 et seq.), as amended through the Closing Date, and regulations promulgated thereunder; (b) any "hazardous substance" or "pollutant or contaminant" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Sections 9601 et seq.), as amended through the Closing Date, and regulations promulgated thereunder; (c) any "hazardous material" as defined in the Occupational Safety and Health Act of 1970 (29 U.S.C. ss. 651 et seq.) as amended through the Closing Date, and regulations promulgated thereunder; (d) petroleum, and any of its derivatives, by-products and other petroleum-related hydrocarbons; and (e) asbestos and any asbestos containing material.

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

"Indemnitee" has the meaning set forth in Section 13.2(c) hereof.

"Indemnitor" has the meaning set forth in Section 13.2(c) hereof.

"Intellectual Property" means the following which is owned by, issued to or licensed to Seller or any of its

Affiliates with respect to the Business, along with all income, royalties, damages and payments due or payable at Closing or thereafter including, without limitation, damages and payments for past or future infringements or misappropriations thereof, the right to sue and recover for past infringements or misappropriation thereof and any and all corresponding rights that, now or hereafter, may be secured throughout the world: patents, patent applications, patent disclosures and inventions (whether or not patentable and whether or not reduced to practice) and any reissue, continuation, continuation-in-part, revision, extension or reexamination thereof; trademarks, service marks, trade dress, logos, trade names and corporate names together with all goodwill associated therewith, and all translations, adaptations, derivations and combinations of the foregoing; copyrights and copyrightable works; mask works; and all registrations, applications and renewals for any of the foregoing; trade secrets and confidential information (including, without limitation, ideas, formulae, compositions, know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, financial, business and marketing plans, sales and promotional literature, and customer and supplier lists and related information); computer systems and software (including, without limitation, data and related documentation); other intellectual property rights; and all copies and tangible embodiments of the foregoing (in whatever form or medium), in each case including, without limitation, the items set forth on Schedule 4.7 of the Disclosure Schedule, but in any case not including any Excluded Asset;

"Interest Rate" has the meaning set forth in Section 2.3(f) hereof.

"Law" means any federal, state, local or foreign law (including common law), statute, code, ordinance, rule, binding guidance or policy, regulation, orders or consent decrees or other requirement or guideline.

"Legal Proceeding" means any judicial, administrative or arbitral action, suit, proceeding (public or private), claim or governmental proceeding, investigation, inquiry, complaint, order, proceeding or claim by any Governmental Body or private party, including, without limitation, a condemnation, eminent domain or similar proceeding.

"Leased Real Property" has the meaning set forth in Section 1.1(b) hereof.

"Liabilities" means indebtedness, obligations or

Damages.

"Logos" has the meaning set forth in Section 8.2 hereof.

56

"Mojonnier Brazil has the meaning set forth in the recitals hereof.

"Name" has the meaning set forth in Section 8.2 hereof.

"Notice" has the meaning set forth in Section 13.2(c) hereof.

"Order" means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award.

"Orlandi Agreement" has the meaning set forth in Section 2.4 hereof.

"Permit" means any written approval, authorization, consent, franchise, license, permit, variance, waiver or certificate by any Governmental Body.

"Permitted Exceptions" has the meaning set forth in Section 4.6 hereof.

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization or Governmental Body.

"Pre-Closing Taxes" has the meaning set forth in Section 8.1(a) hereof.

"Preliminary Purchase Price" has the meaning set forth in Section 2.1 hereof.

"Reduction Percentage" has the meaning set forth in Section 2.4 hereof.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment (including the abandonment or discharging of barrels, containers and other closed receptacles containing any Hazardous Material).

"Retained Liability" has the meaning set forth in Section 1.3(b) hereof.

"Seller's Knowledge" shall mean the actual knowledge of Marq Kaufman, the Managing Directors, the Division Presidents and the General Managers of the Business and each person who reports directly to any of the foregoing.

57

"Selling Subsidiaries" has the meaning set forth in the recitals hereof.

"South Carolina Real Property" has the meaning set forth in the recitals hereof.

"South Carolina Lease" has the meaning set forth in Section 8.7 hereof.

"Straddle Return" has the meaning set forth in Section 8.1(a) hereof.

"Subsidiaries" means the Acquired Subsidiaries and the Selling Subsidiaries.

"Subsidiary Shares" has the meaning set forth in Section 1.1(h) hereof.

"Supply Requirement Contracts" has the meaning set forth in Section 4.8(a) (iv) hereof.

"Taxes" means any and all taxes based on or measured by income and any other tax whatsoever (whether federal, state, local or foreign), including, without limitation, gross receipts, profits, sales, use, occupation, value added, ad valorem, transfer, franchise, withholding, payroll, employment, excise, or property taxes, together with any interest, penalties or additions to tax imposed with respect thereto.

"Taxing Authority" means a Governmental Body acting with respect to Taxes.

"Tax Returns" means returns, reports, statements, computations, certificates, schedules, forms and other documents, including estimated returns, required to be filed with or provided to any Taxing Authority.

"Termination Date" has the meaning set forth in Section 12.1(b) hereof.

"Title Company" has the meaning set forth in Section 9.5 hereof.

"Title Policy" has the meaning set forth in Section 9.5 hereof.

"Transferred Employees" means all Division Employees who accept offers of employment or continued employment from Buyer and all Acquired Sub Employees who continue employment with the applicable Acquired Subsidiary on or after the Closing Date.

58

"Transition Agreement" has the meaning set forth in Section 8.3 hereof.

"U.S. Assumed Plan" has the meaning set forth in Section 4.12 hereof.

"Window Period" has the meaning set forth in Section 8.2(b).

IN WITNESS WHEREOF, each of the parties hereto has caused this

Agreement to be executed on its behalf as of the date first above written.

FIGGIE INTERNATIONAL INC.

By:
Name:
Title:

SASIB SpA

By:
Name:
Title:

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is made and entered into as of the 1ST day of February, 1995, by and among BARRY-WEHMILLER COMPANY, a Missouri corporation ("B-W"), BARRY-WEHMILLER ACQUISITION CORP., a Missouri corporation and wholly owned direct subsidiary of B-W (the "Buyer"), and FIGGIE INTERNATIONAL INC., a Delaware corporation (the "Seller").

RECITALS

WHEREAS, the Seller is engaged in the manufacture and sale of packaging machinery through the Akron, Ohio unit of its Figgie Packaging Systems division; and

WHEREAS, the Buyer and the Seller have reached an understanding pursuant to which the Buyer shall acquire certain of the assets and business of the Seller relating to such unit and shall assume certain liabilities of the Seller relating thereto; and

WHEREAS, the Buyer and the Seller anticipate that Clark Realty Co., Inc. (the "Land Buyer") shall acquire the land and building located at 10 Ascot Parkway, Cuyahoga Falls, Ohio, together with all improvements, additions and systems attached to or a part thereof (the "Real Property"), owned by Figgie International Real Estate Inc., a Delaware corporation (the "Land Seller"), and used in the business to be acquired hereby, pursuant to a Sale Agreement on terms materially equivalent to those contained in Exhibit A attached hereto (the "Land Sale Agreement"); and

WHEREAS, each of the parties hereto desires to set forth certain representations, warranties, covenants and indemnity obligations, and to establish certain closing conditions, made to induce the others to execute and deliver this Agreement and to consummate the transactions contemplated hereby;

NOW, THEREFORE, in consideration of the premises, the covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

ARTICLE 1

PURCHASE AND SALE OF ASSETS

1.1 Description of Assets. At the Closing (as defined in Article 5 hereof), subject to the terms and conditions set forth in this Agreement, the Seller shall sell to the Buyer, and the Buyer shall purchase from the Seller, the assets of the Akron unit (consisting of the Consolidated Packaging Machinery, CloseTech International, IAC and Akron Packaging product

lines) of the Figgie Packaging Systems division of the Seller (such unit is hereinafter referred to as the "Division"), wherever located, including the following assets of, or used in the business of, the Division (collectively, the "Assets"), free and clear of all material liens and encumbrances, other than encumbrances securing the Assumed Liabilities, as hereinafter defined:

(a) All inventory of raw materials, work-in-process, shipping materials and supplies and finished goods;

(b) All trade accounts receivable (other than such receivables due from any other business segment, division, subsidiary or affiliate of Seller) and employee travel and expense advances (the "Receivables");

(c) All items of machinery, equipment, furniture, fixtures, tools, dies, jigs and related spare parts and all supplies, together with all manuals and written warranties relating thereto;

(d) All right, title and interest of the Seller in and to written bids, sales orders, sales and service contracts, supply contracts, maintenance contracts and other contract rights (including any amendments thereto) which are set forth on Schedule 1.1(d) (collectively, "Contract Rights");

(e) All right, title and interest of the Seller in and to all leases of tangible personal property and real property which are listed or cross-referenced on Schedule 3.4(b) (collectively, "Leases");

(f) All right, title and interest of the Seller and any affiliate thereof in and to the names "Akron", "Closetech", "Consolidated", "IAC" and "Capem" and all trademarks, trade names, patents, copyrights, licenses, franchises, discoveries and other know-how, and all applications therefor, but excluding the name "Figgie" and derivatives thereof and the intellectual property rights relating thereto as set forth in Schedule 1.1(f) (the "Figgie Names");

(g) All designs, models, prototypes, plans, specifications, drawings and everything related thereto, including but not limited to any of the foregoing relating to the CTI seamer product line and all derivatives;

(h) All sales materials, catalogs, and advertising materials;

(i) All records and files pertaining to customers and suppliers, including, without limitation, sales records, correspondence with customers, customer files and account histories, records of purchases from and correspondence with suppliers; and

(j) All right, title and interest of the Seller in and to license agreements with third parties for the sale, distribution or manufacture of products which were entered into in the ordinary course of the Division's business.

1.2 Purchase Price. The aggregate consideration to be paid by the Buyer to the Seller for the Assets shall be paid in full by the assumption of the Assumed Liabilities, as hereinafter defined.

- 2 -

1.3 Purchase Price Allocation. The Buyer and the Seller shall, as soon as practicable following the Closing Date, use their best efforts to negotiate and agree upon the respective fair market values of the Assets and to execute a joint certificate reflecting the same. The Assumed Liabilities and all other capitalizable costs shall be allocated for all reporting purposes (including financial accounting and federal and state income tax purposes) in accordance with the individual fair market values of the Assets as set forth on such joint certificate in a manner consistent with section 1060 of the Code (as defined in Section 3.3(a)). Neither the Buyer nor the Seller shall take a position in any Return (as defined in Section 3.3(a)), or examination or other administrative or judicial proceeding relating to any Return, that is inconsistent with such allocation.

1.4 Collection of Receivables and Remission. From and after the Closing, the Buyer shall have the right and authority to collect for its own account all Receivables and to endorse with the name of the Seller or the Division any checks or drafts received with respect to any such Receivables and the Seller agrees promptly to deliver to the Buyer any cash or other property received directly or indirectly by it with respect to such Receivables, including any amounts payable as interest, and to offer such assistance as the Buyer may reasonably request to provide for the termination of existing lockbox arrangements and to instruct account debtors to forward payments to the Buyer. If and to the extent any Receivable is to be collected through a draw on a letter of credit or similar instrument issued for the account of any customer, Seller shall cooperate with Buyer (a) to assign all of Seller's rights under such letter of credit or other instrument, where permitted, and/or (b) to ensure that Buyer obtains the benefit of the proceeds of such letter of credit or other instrument.

ARTICLE 2

ASSUMPTION OF CERTAIN LIABILITIES

2.1 Assumed Liabilities. Subject to the terms and conditions set forth in this Agreement, at the Closing the Seller shall transfer and

assign, and the Buyer shall assume, pay and perform subsequent to the Closing Date, all of the following specified liabilities and obligations of the Seller with respect to the Division (collectively, the "Assumed Liabilities"):

(a) All trade accounts payable and customer advanced payments which are set forth on a schedule to be delivered by the Seller and approved by the Buyer and which were incurred in the ordinary course of the Division's business and reflected on the books and records of the Division as of the Closing Date (but excluding such payables and payments due to any other business segment, division, subsidiary or affiliate of Seller;

(b) All obligations incurred in the ordinary course of business under the express terms of any of the Contract Rights; and

(c) All obligations incurred in the ordinary course of the Division's business under the express terms of any of the Leases that the Buyer has not novated at the Closing. - 3 -

Notwithstanding the foregoing, the Buyer shall not assume any liability or obligation under any of the Contract Rights or Leases which is past due or delinquent as of the Closing Date.

2.2 No Other Liabilities Assumed. Except for the liabilities and obligations of the Seller to be specifically assumed by the Buyer under Section 2.1, the Buyer shall not assume, and the Seller shall remain liable for, any and all liabilities, obligations, claims and commitments of or against the Seller which are not specifically set forth herein as being expressly assumed by the Buyer, whether the same are known or unknown, existing, contingent upon future events or circumstances, accrued, funded, unfunded or otherwise including without limitation:

(a) Taxes imposed on the Seller;

(b) any liabilities or obligations resulting from any product liability claims;

(c) any liability or obligation resulting from any formal or informal, written or unwritten agreement with respect to severance pay, bonus, pension, health or medical benefit, or any other employee benefit or fringe benefit plan;

(d) obligations under any collective bargaining agreement covering any employees of the Division;

(e) obligations under agreements and instruments not included within the Contract Rights or Leases, including without limitation any stock option

arrangements;

(f) liability to governmental entities and/or private persons under federal, state and local environmental statutes arising from or related to operations of the Seller prior to the Closing, or the condition of the Assets or the Real Property at the time of Closing; and

(g) obligations and liabilities of the Seller which do not relate to the Division.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

The Seller hereby represents and warrants to the Buyer and B-W as follows as of the date of this Agreement:

3.1 Status.

(a) Corporate Existence and Status. The Seller is a corporation duly organized and validly existing and in good standing under the laws of the State of Delaware.

- 4 -

(b) Qualification. Schedule 3.1(b) lists the jurisdictions in which the Seller is required to be qualified to do business as a foreign corporation by reason of the nature of the Division's business as presently conducted. The Seller is in good standing as a foreign corporation in all such jurisdictions.

(c) Corporate Power. The Seller has the corporate power to own and lease the Assets that it owns and leases and otherwise to conduct the Division's business as currently conducted.

(d) Authorization.

(i) The Seller has the right, power and authority to enter into this Agreement and each other agreement, instrument or other document required to be executed by it hereunder (collectively, the "Other Agreements") and to consummate the sale of the Assets owned by it and the other transactions contemplated by, and otherwise to comply with and perform its obligations under, this Agreement;

(ii) The execution and delivery by the

Seller of this Agreement and the Other Agreements to which it is a party, and the consummation by the Seller of the sale of the Assets owned by it and the other transactions contemplated by, and other compliance with and performance of its obligations under, this Agreement and the Other Agreements to which it is a party have been duly authorized by all necessary corporate action on the part of the Seller; and

(iii) This Agreement and the Other Agreements to which it is a party constitute the valid and binding agreements of the Seller that are enforceable against it in accordance with their respective terms, except to the extent that such enforceability (A) may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to creditors' rights generally and (B) may be subject to general principles of equity.

(e) Absence of Violations or Conflicts. To the knowledge of Seller, except as disclosed in Schedule 3.1(e), the execution and delivery of this Agreement and the Other Agreements to which it is a party by the Seller and the consummation by the Seller of the sale of the Assets and the other transactions contemplated by, or other compliance with or performance under, this Agreement and the Other Agreements to which it is a party, do not and will not with the passage of time or giving of notice or both:

(i) constitute a violation of, be in conflict with, constitute a default or require any payment under, permit a termination of, require any consent under, or result in the creation

- 5 -

or imposition of any lien, encumbrance or other adverse claim or interest upon any of the Assets under (A) its certificate of incorporation and bylaws, as amended, (B) any judgment, decree or order of any governmental authority to which the Seller or any of the Assets are subject or bound, (C) any applicable law, or (D) any contract, agreement, instrument, commitment, undertaking or understanding to which the Seller is a party or to which it or any of the Assets are subject or bound, except where any such violation, conflict, default, termination or claim would not have a material adverse effect on the business of the Division or the ability of the Seller to perform its obligations under this Agreement; or

(ii) create, or cause the acceleration of the maturity of, any debt, obligation or liability of the

Seller which is included among the Assumed Liabilities.

(f) No Governmental Consents Required. Except as set forth in Schedule 3.1(f), no material consent, approval, order or authorization of, or registration, declaration or filing with, any governmental authority on the part of the Seller is required in connection with its execution or delivery of this Agreement or the Other Agreements to which it is a party or the consummation of the sale of the Assets and the other transactions contemplated by, or other compliance with or performance under, this Agreement or Other Agreements by the Seller.

3.2 Financial Matters.

(a) Balance Sheet. Attached as Schedule 3.2(a) is a copy of the unaudited balance sheet of the Division as of December 31, 1994 (the "December Balance Sheet"). The December Balance Sheet is consistent with the books and records of the Division, and, to the Seller's knowledge, has been prepared in accordance with generally accepted accounting principles (as appropriate for an unincorporated division and except as to inventory costing and the absence of full footnote disclosures), is complete and accurate in all material respects, and fairly presents the financial position of the Division as of such date.

(b) Capital Leases. Schedule 3.2(b) lists all Leases which are (or should be) recorded on the December Balance Sheet as capital leases.

(c) Absence of Certain Changes. Except as set forth in Schedule 3.2(c), since December 31, 1994, there has not been any activity with respect to the Division other than in the ordinary course of business and, without limiting the foregoing, there has not been:

(i) any material adverse change in the quantity, condition or value of the Assets;

- 6 -

(ii) any damage, destruction or casualty loss (whether or not covered by insurance) which has been or will be materially adverse to the Assets;

(iii) any increase in the compensation payable by the Seller to any employee or agent of the Division other than routine increases made in the ordinary course of business consistent with past practice, or any bonus, incentive compensation, service award, right to severance or other like benefit, granted, made or accrued, contingently or

otherwise, to or to the credit of any of such employee or agent, or any employee welfare, pension, retirement or similar payment or arrangement made or agreed to by the Seller or the Division with respect to any such employee or agent, other than pursuant to the existing plans disclosed on Schedule 3.8;

- (iv) any sale, assignment or transfer (including without limitation any collateral assignment or the granting or permitting of any lien, encumbrance or other claim) of any asset, property or right of the Division other than in the ordinary course of business;
- (v) any amendment, modification, waiver or cancellation of any debt owed to, or claim of, the Division or settlement by the Division of any dispute involving any payment or other obligation due to or owed by the Division to be made or performed after the Closing Date;
- (vi) any capital expenditure or commitment to make a capital expenditure (exclusive of expenditures for repair or maintenance of equipment in the ordinary course of business) exceeding \$25,000 in the aggregate for all such expenditures or commitments;
- (vii) any incurrence of any extraordinary loss or knowing waiver of any rights of substantial value by the Seller in connection with an aspect of the Division's business whether or not in the ordinary course of business;
- (viii) any cancellation, termination or amendment by the Seller of any material contract, agreement, license or other instrument relating to the Division to which the Seller is a party or by which it is bound;
- (ix) any failure on the part of the Seller to operate the Division's business in the ordinary course so as to

- 7 -

preserve its business organization intact in all material respects, including the services of its key officers and professional staff and the goodwill of its suppliers, customers and others having business relations with the Division; or

- (x) any agreement by or commitment of the

Seller to do or permit any of the foregoing.

3.3 Taxes.

(a) Definitions. For purposes of this Agreement:

- (i) The term "Code" shall mean the Internal Revenue Code of 1986, as amended. All citations to the Code or to the regulations promulgated thereunder shall include any amendments or any substitute or successor provisions thereto.
- (ii) The term "Returns" shall mean, collectively, (A) all reports, declarations, estimates, returns, information statements, and similar documents relating to, or required to be filed in respect of, any Taxes, and any amendments thereto; and (B) any statements, returns, reports, or similar documents required to be filed pursuant to Part III of Subchapter A of Chapter 61 of the Code or pursuant to any similar income, excise, or other tax provision of federal, territorial, state, local, or foreign law, and any amendments thereto; and the term "Return" means any one of the foregoing Returns.
- (iii) The term "Taxes" shall mean (A) all net income, gross income, gross receipts, sales, use, ad valorem, franchise, profits, license, lease, service, service use, withholding, employment, payroll, excise, severance, transfer, documentary, mortgage, registration, stamp, occupation, environmental, premium, property, windfall profits, customs, duties, and other taxes, fees, assessments or charges of any kind whatever, together with any interest, penalties and other additions with respect thereto, imposed by any federal, territorial, state, local or foreign government; and (B) any penalties, interest, or other additions to tax for the failure to collect, withhold, or pay over any of the foregoing, or to accurately file any Return; and the term "Tax" shall mean any one of the foregoing Taxes. Notwithstanding the foregoing, however, the terms "Taxes" and "Tax" shall include only those amounts for which the Buyer or any affiliate thereof is, or could become, liable in whole or part (including, without limitation, any obligation in connection with a duty to collect, withhold, or pay over any Tax, any obligation to contribute to the

payment of any Taxes determined on a consolidated, combined, or unitary basis, any liability as a transferee, or any liability as a result of any express or implied obligation to indemnify or pay the Tax obligations of another person).

(b) Returns Filed and Taxes Paid. Except as set forth in Schedule 3.3, (i) the Seller has duly and timely filed with the appropriate taxing authorities, all Returns that it is required to file; (ii) each such Return is, to the Seller's knowledge, true, correct, and complete in all material respects; (iii) all Taxes known by Seller due with respect to, or shown to be due on, each such Return (or amendment) or subsequent assessment with regard thereto, have been timely paid; and (iv) to Seller's knowledge there is no valid basis for the assessment of any deficiency with regard to any such Return. To Seller's knowledge, no other Taxes of the Seller are due with respect to any taxable periods or portions of periods ending on or before the Closing Date. There are no liens, attachments, or similar encumbrances on any of the Assets with respect to any Taxes, other than liens for Taxes of the Seller that are not yet due and payable. Except as set forth in Schedule 3.3, there are no pending or, to the knowledge of the Seller, threatened audits, investigations, claims, proposals or assessments for, or relating to, any Taxes, and there are no matters under discussion between Seller and any governmental authority with respect to Taxes that could result in any additional amount of Taxes. No extension of a statute of limitations relating to Taxes is in effect.

(c) Miscellaneous. Except as otherwise set forth in Schedule 3.3, none of the Assets (i) owned by Seller is property which is required to be treated as being owned by any other person pursuant to the so-called "safe harbor lease" provisions of former section 168(f)(8) of the Code; (ii) is "tax-exempt use property" under Section 168(h) of the Code; or (iii) directly or indirectly secures any debt the interest on which is tax exempt under section 103(a) of the Code.

3.4 Real and Tangible Personal Property.

(a) Real and Tangible Personal Property. For purposes of this Agreement, "Property" or "Properties" collectively refers to those Assets that are real and tangible personal properties owned by the Seller and used in the business of the Division. Schedule 3.4(a) lists each of the Properties (including machinery, equipment, vehicles, office furniture, tools and other tangible personal property), which has a net book value in excess of \$25,000 to which the Seller holds legal or equitable title (whether or not of record), as to which it is taking depreciation, or as to which the Seller has rights as a conditional sales vendor under a conditional sales contract or other title retention agreement, other than inventory and other property properly expended for income tax purposes or properly disclosed pursuant to Sections 3.5 and 3.6 of this Agreement. Except as set forth on Schedule 3.4(a): (i) the Seller has good and marketable title to all of the Properties owned by it as indicated on Schedule 3.4(a); and (ii) none of the Properties is subject to any lien, claim or other encumbrance except (A) liens for taxes not yet due and payable, (B) liens described in the December Balance Sheet, (C) liens imposed by law and incurred in the ordinary course of business for obligations not yet due and

payable to landlords, carriers, warehousemen, laborers, materialmen and the like, and

- 9 -

(D) easements, covenants and other restrictions of record which do not materially impair the ability of the Division to conduct its business as presently conducted.

(b) Leases; Subleases. For purposes of this Agreement, "Lease" means any written lease, sublease or rental agreement (and any related contract, agreement, commitment, arrangement, undertaking or understanding) and all amendments, modifications and supplements thereof and waivers and consents thereunder pursuant to which in connection with the Division's business the Seller leases, subleases or rents any real or personal property, either as lessor, lessee, landlord or tenant. Schedule 3.4(b) lists all Leases, true and complete copies of which have been heretofore delivered or made available to the Buyer, except those which (i) can be cancelled by the Seller upon 30 or fewer days' notice without penalty or the acceleration of rentals, (ii) do not grant an option to purchase the leased property, and (iii) involve an annual rental of \$25,000 or less. With respect to each of the Leases and except as disclosed on Schedule 3.4(b): (A) neither the Seller nor (to the knowledge of the Seller) any other party is in default in connection with such Lease; (B) no act or event has occurred which, with notice or lapse of time or both, would constitute a default under Lease with respect to the Seller or (to the knowledge of the Seller) any other party; and (C) the Seller has not given (except as contemplated by Section 2.1(c) hereof in connection with the Buyer's assumption or novation of Leases or purchase of assets subject to Leases) or received any notice of cancellation or termination in connection with such Lease.

(c) Condition. Except as set forth in Schedule 3.4(c): (i) the Properties and the properties subject to a Lease which are material to the operation of the Division's business are in good repair and operating condition, normal wear and tear excepted; (ii) the Seller has not received any notice of violation of, and, to the knowledge of the Seller, is in compliance with, all applicable building, zoning, land use or other similar statutes, laws, ordinances, regulations, permits, and health and safety codes in respect of any of the Properties or any of the properties subject to a Lease (and the Division's current use thereof does not constitute a nonconforming use); (iii) none of the Properties and the properties subject to a Lease has ever been used as a landfill or otherwise been used for the disposal, storage or treatment of any waste, trash, garbage, industrial by-product, chemical or hazardous substance of any nature, except chemicals used or to be used in the ordinary course of business of the Division in compliance with applicable law; (iv) none of the Properties and the properties subject to a Lease contains asbestos insulation or electrical equipment containing polychlorinated biphenyls except

in compliance with applicable law identified on Schedule 3.4(c); and (v) Seller has not received any written recommendations by fire underwriters or rating boards, any insurance companies or holders of mortgages or other security interests requiring or recommending any repairs or work to be done with reference to any of the Properties and the properties subject to a Lease which remain outstanding.

(d) All Necessary Properties. The Properties and the properties subject to the Leases (together with all other intangible properties of the Seller disclosed, or not required to be disclosed, pursuant to Sections 3.4, 3.5 and 3.6 of this Agreement) constitute all of the properties which the Seller uses in connection with the operation of the Division's business as presently conducted.

- 10 -

(e) Accounts Receivable and Security. The Receivables, except to the extent of the allowance for doubtful accounts contained in the December Balance Sheet, of the Seller as reflected on the December Balance Sheet and the accounts receivable reflected on the books of the Division: (i) are valid, existing and represent monies due the Seller as a result of transactions in the ordinary course of business, including but not limited to amounts attributable to goods sold and delivered or services rendered; and (ii) to Seller's knowledge, except as set forth on Schedule 3.4(e), are subject to no refunds or other adjustments or to any defenses, rights of set-off, assignments, restrictions, security interests, encumbrances or conditions which have been asserted by third parties on or affecting any thereof. Except to the extent set forth in clause (ii) of the immediately preceding sentence, Seller makes no representation as to the collectibility of any Receivable or the adequacy of the allowance for doubtful accounts with respect thereto contained in the December Balance Sheet. Schedule 3.4(e) contains a true and complete list of all letters of credit and similar instruments securing any of the Receivables as to which the Seller or the Division is the beneficiary.

(f) Inventories. The composition, quality, types and quantities of the inventories reflected on the December Balance Sheet, and those reflected on the books of the Division, are materially consistent with the composition, quality, types and quantities of inventories maintained by the Division in the two years preceding the date of this Agreement. Except as set forth in Schedule 3.4(f), (i) the Seller holds no inventories for use by the Division of any other person on consignment, and (ii) no other person is in possession of any of the inventories of the Seller.

3.5 Intellectual Property; Patents; Trademarks, Trade Names.

(a) The term "Intellectual Property Rights" shall mean all patents,

patent applications and patent disclosures; all inventions (whether or not patentable and whether or not reduced to practice); (except as set forth on Schedule 1.1(f)) all trademarks, service marks, trade dress, trade names and corporate names and all the goodwill associated therewith; all registered and unregistered statutory and common law copyrights; all registrations, applications and renewals for any of the foregoing; all trade secrets, confidential information, ideas, formulae, know-how, manufacturing and production processes and techniques, research information, specifications, designs, plans, improvements, proposals, technical and computer data, documentation and software, financial, business and marketing plans, customer and supplier lists and related information, marketing materials and all other intellectual property rights; in each case to the extent the foregoing relate to items used by the Division (without regard to whether any other person may have rights of use with respect thereto).

(b) Schedule 3.5 contains a true and complete list of all patented or registered Intellectual Property Rights or any pending patent applications or applications for the registration of Intellectual Property Rights. Schedule 3.5 contains a complete and accurate list of (i) all trade or corporate names used by the Division; (ii) all computer software owned by the Division; and (iii) all licenses and other rights granted by the Division to any third party with respect to computer software rights and all licenses (other than so-called "execute by opening" software licenses) and other rights granted by any third party to the Division with respect to computer software rights, together with a description of the subject matter licensed.

- 11 -

(c) Except as set forth on Schedule 3.5, (i) the Seller owns and possesses, all right, title and interest in and to, free and clear of any encumbrances, or has a valid, enforceable and effective license to use, all of the Intellectual Property Rights used in the operation of the business of the Division as presently conducted; (ii) during the two (2) years preceding the date of this Agreement, no claim by any third party contesting the validity, enforceability, use or ownership of any Intellectual Property Rights has been made or, to the Seller's knowledge, threatened and no such claim is currently outstanding; (iii) during the two (2) years preceding the date of this Agreement, the Division has not received any notice of any infringement or misappropriation by any third party with respect to the Intellectual Property Rights, nor has the Division received any claims alleging infringement or misappropriation of any intellectual property rights of any third party; and (iv) to the Seller's knowledge, the Division has not infringed, misappropriated or otherwise conflicted with any intellectual property rights of any third party, nor is it aware of any infringement, misappropriation or conflict which will occur as a result of the continued operation of its business as conducted.

3.6 Loans and Contracts.

(a) Indebtedness. Schedule 3.6(a) sets forth (i) a complete and accurate list or description of all instruments or other documents ("Debt Instruments") relating to any direct or indirect indebtedness for borrowed money of the Seller with respect to the Division, as well as indebtedness by way of industrial development bonds, capital leases, lease-purchase arrangements, guarantees, undertakings on which others rely in extending credit and all conditional sales contracts, chattel mortgages and other security arrangements with respect to personal property used or owned by the Seller in connection with the Division's business and (ii) a list of all loans of money to officers or employees or shareholders of the Seller (excluding travel and similar advances in the ordinary course of business).

(b) Other Contracts. Schedule 3.6(b) lists each Contract Right of the type listed below (but such list shall not include Leases, Intellectual Property Rights, Debt Instruments, Insurance Policies and employee-related matters of the Seller disclosed elsewhere in this Agreement):

- (i) for the purchase or rental of materials, inventory and supplies by the Seller entered into in the ordinary course of business which individually exceed \$25,000 and which are not reasonably expected to be fully performed within 30 days of their respective dates;
- (ii) for the purchase of services by the Seller entered into in the ordinary course of business which are not reasonably expected to be fully performed within 30 days of their respective dates;
- (iii) that were entered into in the ordinary course of business and involve, or are reasonably expected to involve, an amount in excess of \$25,000 and which are not reasonably

- 12 -

expected to be fully performed within 30 days of their respective dates;

- (iv) for matters not in the ordinary course of business of the Division;
- (v) making the Seller liable, by guaranty, suretyship agreement, indemnification agreement, contribution agreement or otherwise, upon or with respect to, or obligating

it in any way to provide funds in respect of, or obligating it to guarantee, serve as surety for or assume, any debt, dividend or other liability or obligation of any person, corporation, association, partnership or other entity (except endorsements made in the ordinary course of business in connection with the deposit of items for collection);

- (vi) granting a power of attorney;
- (vii) relating to participation in a cooperative, partnership, joint venture or limited liability company;
- (viii) imposing confidentiality requirements;
- (ix) restricting or limiting the freedom of the Seller to compete in any line of business, except for limitations stipulated in intellectual property agreements;
- (x) involving any hedge arrangement against currency or interest rate fluctuations; or
- (xi) involving any letters of credit.

True and complete copies of all Contract Rights (as amended) required to be disclosed in Schedule 3.6(b) have been delivered or made available to the Buyer.

(c) Insurance. All insurance policies for which the Seller is a beneficiary or named insured (including comprehensive general liability, personal and professional liability, comprehensive general casualty and extended coverage, business interruption, automobile, boiler and machinery, fire and lightning, marine, endowment, life, and worker's compensation) to the extent such policies relate to the Division ("Insurance Policies") are listed in Schedule 3.6(c) in the form of a complete and accurate schedule (including the type of policy, the policy number, the limits of coverage, the carrier, the annual premium and the expiration date), and true and complete copies of such policies have been provided or made available to the Buyer.

- 13 -

(d) Status. Except as disclosed on Schedule 3.6(d): (i) neither the Seller nor (to the knowledge of the Seller) any other party is in default in connection with any Debt Instrument, Contract Right or Insurance Policy; (ii) no act or event has occurred which, with notice or lapse of time or both, would constitute a default under any Debt Instrument, Contract Right or Insurance Policy, except as to Contract Rights or Insurance Policies where such default

would not have a material adverse effect on the Assets or the business of the Division; (iii) the Seller has not received or given any notice of acceleration, cancellation or termination in connection with any Debt Instrument, Contract Right or Insurance Policy.

3.7 Employment Relationships. Schedule 3.7 contains a true and complete list of all of the employees of the Division as of the date of this Agreement, setting forth each employee's compensation, date of hire and whether or not contributions are made for him under the employee benefit plans, programs and arrangements described in Section 3.8. Except as disclosed pursuant to Schedule 3.7 or Section 3.8, the Seller has no obligations, contingent or otherwise to any such employees: (i) under any employment contract, agreement, commitment, undertaking, understanding, plan, program, policy or arrangement; (ii) under any bonus, incentive or deferred compensation contract, agreement, commitment, undertaking, understanding, plan, program, policy or arrangement (including one for severance or other payments conditioned upon a change of control of the Seller); (iii) under any pension, profit-sharing, stock purchase or any other such plan, program or arrangement; or (iv) under any arrangement that has resulted or could result in the payment of any "excess parachute payment" as defined in Section 280G of the Code (without regard to subsection (b)(4) thereof).

3.8 Employee Benefit Plans. Attached as Schedule 3.8 hereto is a complete list of each "employee welfare benefit plan" as defined in Section 3(1) of the Employee Retirement Income Security Act of 1974 ("ERISA") (collectively, the "Employee Welfare Plans"), each "employee pension benefit plan" as defined in Section 3(2) of ERISA (collectively, the "Employee Pension Plans"), and all deferred compensation arrangements in which any of the employees of the Division are participants. Each of the Employee Welfare Plans and Employee Pension Plans is maintained in material compliance with the applicable provisions of ERISA, the Code and any other applicable laws. Neither the execution, delivery and performance of this Agreement nor the consummation of the transactions herein or therein contemplated will cause the Buyer or any affiliate thereof to be liable to any person pursuant to the terms of the Employee Pension Plans, the Employee Welfare Plans or ERISA. The Seller is not a party to any pending or, to the Seller's knowledge, threatened action, claim suit or proceeding by any person or governmental instrumentality concerning any Employee Pension Plan or Employee Welfare Plan which relates to the Division or its employees. All payments due from the Seller (on account of employment contracts or otherwise) for Employee Pension Plans and Employee Welfare Plans have been paid for all periods ended on or prior to the date hereof, and for the period from the date hereof through the Closing Date, shall be paid by the Seller.

3.9 Labor Relations. With respect to the Division, except as described in Schedule 3.9: (a) the Seller is in material compliance with all federal, state, local and other applicable law respecting employment and employment practices, terms and conditions of employment and wages and hours; (b) there is no unfair labor practice, complaint, charge or

other matter against or involving the Seller pending or, to the Seller's knowledge, threatened before any governmental authority; (c) there is no labor strike, dispute, organizing effort, slow down, stoppage or other material labor difficulty pending, involving or, to the Seller's knowledge, threatened, against or affecting the Seller; (d) to the Seller's knowledge, no representation question exists respecting the employees of the Seller; (e) no grievance which is reasonably expected to have an adverse effect on the business of the Division nor any arbitration proceeding arising out of or under collective bargaining agreements is pending, and to the Seller's knowledge no claim therefor exists; and (f) there is no collective bargaining agreement which is binding on the Seller. During the six month period ending on the date of this Agreement, no more than twenty (20) employees of the Division have suffered an "employment loss" as such quoted term is defined in the Worker Adjustment and Retraining Notification Act ("WARN Act").

3.10 Litigation. With respect to the Division, except as disclosed in Schedule 3.10, the Seller is not (i) engaged in, a party to, subject to or, to the Seller's knowledge, threatened with any claim, legal or equitable action, or other proceeding (whether as plaintiff, defendant or otherwise and regardless of the forum or the nature of the opposing party); (ii) to the knowledge of the Seller, subject to any unasserted claim, the assertion of which is likely and which, if asserted, will seek damages, an injunction or other relief against the Seller which claim individually or collectively with such other unasserted claims if made would have a material adverse effect on the Assets or the business of the Division; or (iii) a party to or subject to any judgment, order or decree against it or the Assets. Except as set forth in Schedule 3.10, there has been no reservation of rights by any insurance carrier, and no such reservation, to the Seller's knowledge, is threatened, concerning the coverage of the Seller with respect to any matter required to be disclosed pursuant to this Section 3.10.

3.11 Compliance with Laws. With respect to the Division, except as set forth -----
in Schedule 3.11:

(a) Generally. The Seller is (and during the preceding five years has been) in compliance with all applicable law (including those involving antitrust, unfair competition, trade regulation, antipollution, environmental, employment, safety, health and food and drug matters) the noncompliance with which would have a material adverse effect on the Assets or the business of the Division.

(b) Charges or Violations. The Seller is not (and during the preceding five years has not been) charged with, in receipt of any notice or warning of, or under investigation with respect to, any failure or alleged failure to comply with any provision of any applicable law, the noncompliance with which would have a material adverse effect on the Assets or the business of the Division.

(c) Permits. Without limiting the foregoing: (i) the Seller has all material occupancy certificates and other material licenses, permits and certificates ("Permits") required in connection with its ownership, possession, use, occupancy or operation of any of the Properties owned, leased or used by the Division, all of which are listed in Schedule 3.11; (ii) all of the Permits are in full force and effect; (iii) the Seller is (and has been) in material

- 15 -

compliance with the Permits; and (iv) none of the Permits will be affected by, or require the consent of any party by reason of, the sale of the Assets or the other transactions contemplated by this Agreement.

(d) Environmental and Safety Requirements.

(i) Except as set forth on Schedule 3.11, the Seller has not received any oral or written notice of, and has no reason to believe there is, any existing or pending violation, citation, claim or complaint relating to the business of the Division or any facility owned or operated by the Division arising under any federal environmental law, including but not limited to the Resource Conservation and Recovery Act (also known as the Solid Waste Disposal Act), the Comprehensive Environmental Response Compensation and Liability Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act, the Safe Drinking Water Act, the Federal Water Pollution Control Act (Clean Water Act), the Clean Air Act and antipollution, waste control and disposal, worker health and safety and environmental protection laws, including common law, of any governmental authority, and all regulations and standards enacted pursuant thereto and all permits and authorizations issued in connection therewith (collectively, "Environmental and Safety Requirements").

(ii) No toxic or hazardous substances have been generated, transported, treated, stored, disposed of on or from or otherwise deposited in or on or allowed to emanate from any such facility (irrespective of whether such substances remain at the facility or were transferred to or otherwise disposed of off-site), including the surface waters and subsurface waters thereof, except in compliance with applicable law as described on Schedule 3.11. Schedule 3.11 identifies the location, type and contents of all underground tanks at any facility owned or operated by the Seller relating

to the Division. The Seller has delivered to the Buyer true and complete copies of all closure reports with respect to underground storage tanks removed from any such facility.

3.12 Transactions with Affiliates. Except as disclosed in Schedule 3.12, no shareholder, officer or director of the Seller, or any "affiliate" or "associate" (as such terms are defined in the rules and regulations of the Securities and Exchange Commission under the Securities Act of 1933, as amended) of any of the foregoing:

(a) is a party to any lease, sublease, contract, agreement, commitment, understanding or other arrangement of any kind whatsoever, involving any such person and the Division which is not disclosed in Schedule 3.12, or

- 16 -

(b) owns directly or indirectly, in whole or in part, any property that the Division uses or otherwise has rights in respect of, or

(c) has any cause of action or other claim whatsoever against, or owes any amount to, the Division

other than (i) for compensation (including fringe benefits) to officers and employees disclosed pursuant to Section 3.7 and for reimbursement of ordinary and necessary expenses incurred in connection with employment by the Seller, (ii) for rights under the employee benefit plans disclosed pursuant to Section 3.8, and (iii) as otherwise disclosed pursuant to this Agreement.

3.13 Commissions. No person, firm or corporation has asserted or is entitled to any commission or broker's or finder's fee in connection with the sale of the Assets or any of the other transactions contemplated by this Agreement by reason of any act or omission of the Seller or any person purporting to act on its behalf.

3.14 Disclosures Generally. To the Seller's knowledge, no representation or warranty by the Seller in this Agreement or in any Exhibit, Schedule, certificate or other agreement, instrument or document furnished or to be furnished to the Buyer pursuant to this Agreement or in connection with the sale of the Assets or any of the other transactions contemplated by this Agreement contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact, necessary to make the statements herein or therein not misleading.

ARTICLE 4

The Buyer and B-W hereby jointly represent and warrant to the Seller as follows as of the date of this Agreement:

4.1 Status.

(a) Corporate Existence and Status. The Buyer and B-W each is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri.

(b) Authorization.

(i) The Buyer and B-W each has the right, power and authority to enter into this Agreement and each other agreement, instrument or other document required to be executed by it hereunder (collectively, the "Other Agreements") and to consummate the purchase of the Assets and the other transactions

- 17 -

contemplated by, and otherwise to comply with and perform its obligations under, this Agreement;

(ii) The execution and delivery by each of the Buyer and B-W of this Agreement and the Other Agreements to which it is a party, and the consummation by the Buyer of the purchase of the Assets and the other transactions contemplated by, and other compliance with and performance of each of the Buyer's and B-W's obligations under, this Agreement and the Other Agreements to which it is a party have been duly authorized by all necessary corporate action on the part of each of the Buyer and B- W; and

(iii) This Agreement and the Other Agreements to which it is a party constitute the valid and binding agreements of each of the Buyer and B-W that are enforceable against it in accordance with their respective terms, except to the extent that such enforceability (A) may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar law relating to creditors' rights generally and (B) may be subject to general principles of equity.

(c) Absence of Violations or Conflicts. Except as disclosed in Schedule

4.1(c), the execution and delivery of this Agreement and the Other Agreements to which it is a party by each of the Buyer and B-W and the consummation by the Buyer of the purchase of the Assets and the other transactions contemplated by, or other compliance with or performance by each of the Buyer and B-W under, this Agreement and the Other Agreements to which it is a party, do not and will not with the passage of time or giving of notice or both, constitute a violation of, be in conflict with, or require any consent under, (i) the articles of incorporation and bylaws (as amended) of B-W or the Buyer, (ii) any judgment, decree or order of any governmental authority to which the Buyer or B-W or any of its properties are subject or bound, (iii) any applicable law, or (iv) any contract, agreement, instrument, commitment, undertaking or understanding to which the Buyer or B-W is a party or to which either of them or any of its assets or properties are subject or bound, except where any such violation, conflict, default, termination or claim would not have a material adverse effect on the ability of the Buyer or B-W to perform its obligations under this Agreement.

(d) No Governmental Consents Required. Except as set forth in Schedule 4.1(d), no consent, approval, order or authorization of, or registration, declaration or filing with, any governmental authority on the part of the Buyer or B-W is required in connection with its execution or delivery of this Agreement or the Other Agreements to which it is a party or the consummation of the purchase of the Assets and the other transactions contemplated by, or other compliance with or performance under, this Agreement or such Other Agreements by the Buyer or B-W.

- 18 -

4.2 Commissions. No person, firm or corporation has asserted or is entitled to any commission or broker's or finder's fee in connection with the sale of the Assets or any of the other transactions contemplated by this Agreement by reason of any act or omission of the Buyer or B-W.

4.3 Disclosures Generally. To Buyer's and B-W's knowledge, no representation or warranty by the Buyer or B-W in this Agreement or in any Exhibit, Schedule, certificate or other agreement, instrument or document furnished or to be furnished to the Seller pursuant to this Agreement or in connection with the purchase of the Assets or any of the other transactions contemplated by this Agreement contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact, necessary to make the statements herein or therein not misleading.

4.4 Financial Statements.

(a) B-W has delivered to the Seller correct and complete copies of the

audited balance sheets of B-W as of July 31, 1994, 1993 and 1992, and the related audited statements of operations and cash flows for the years then ended, together with the notes thereto and the other financial information included therewith (collectively, the "B-W Financial Statements").

(b) The B-W Financial Statements are accurate and complete in all material respects, consistent with the books and records of B-W, (ii) have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods indicated, and (iii) fairly present the financial position, results of operations and cash flows of B-W at the respective dates thereof and for the periods therein indicated.

ARTICLE 5

CLOSING AND CLOSING DATE

The preclosing and closing (collectively, "Closing") of the sale of Assets and other transactions contemplated by this Agreement shall take place in Cleveland, Ohio, commencing at 9:00 a.m. local time on February 17, 1995, ("Closing Date"), or a business day subsequent thereto designated by the Buyer and the Seller following satisfaction or waiver of all conditions to Closing set forth herein. The parties agree and acknowledge that time is of the essence of this Agreement, and that cooperation among the parties with respect to the Buyer's due diligence and the satisfaction of each party's conditions to Closing will be essential to consummating the sale of Assets and Real Property by such date. For all purposes, the Closing shall be deemed to be effective as of 11:59 p.m. (Cleveland, Ohio time) on the Closing Date.

- 19 -

ARTICLE 6

COVENANTS OF SELLER

6.1 Conduct of Business. From the date hereof to the Closing Date, except for transactions which are expressly approved in writing by the Buyer, the Seller shall refrain from:

(a) Subjecting any of the Assets to any lien, encumbrance or other claim of any kind, exclusive of liens permitted by this Agreement;

(b) Except for sales of inventory in the ordinary course of business, selling, assigning, transferring or otherwise disposing of any of the Assets and

Properties;

(c) Modifying, amending, altering or terminating (whether by written or oral agreement, or any manner of action or inaction) any of the Debt Instruments, Leases, Intellectual Property Rights, Contract Rights or Insurance Policies, or entering into any such arrangement which is outside of the ordinary course of business or which involves the payment or receipt by the Seller of an amount in excess of \$25,000; and/or

(d) Taking or permitting any other action that, if taken or permitted immediately prior to the execution of this Agreement, would constitute a breach of or an exception to the representations and warranties in Section 3.2(c) hereof.

6.2 Affirmative Covenants. From the date hereof to the Closing Date, the Seller shall with respect to the Division:

(a) Maintain property and liability insurance with respect to the Division in amounts and with coverage at least as great as the amounts and coverage in effect on the date of this Agreement;

(b) Maintain, consistent with past practice, the properties of the Division and the Real Property in good repair, order and condition, reasonable wear and tear excepted, and use its best efforts to preserve its possession and control of all of such properties;

(c) Use reasonable efforts (excluding compensation increases) to keep in faithful service the employees of the Division;

(d) Maintain the books, accounts and records of the Division in a manner consistent with past practice and with sound business practices;

(e) Allow, at all reasonable times, the Buyer's employees, attorneys, auditors, accountants and other authorized representatives, free and full access (during normal business hours and so as not to interrupt normal operations) to the Real Property and the facilities, plants, properties, books, records, documents and correspondence of the Seller relating

- 20 -

to the Division, in order that the Buyer may have full opportunity to make such investigation as it may desire of the business of the Division;

(f) Comply with all applicable law relating to the Real Property and the conduct of the Division's business, and conduct the Division's business in such a manner so that on the Closing Date the representations and warranties contained in this Agreement shall be true as though such representations and warranties were made on and as of such date, except for changes permitted or contemplated by the terms of this Agreement;

(g) Provide the Buyer with (i) prompt written notice of any material adverse change in the Assets, operations, Assumed Liabilities or business of the Division or in the condition of the Real Property, and (ii) monthly financial statements of the Division on a timely basis;

(h) Maintain in inventory quantities of goods, supplies and materials which (A) as to raw materials and work-in-process, are sufficient to allow the Buyer to continue to operate the business of the Division after the Closing Date free of any unusual shortage of such items, and (B) as to finished goods, are consistent with past practice and with quantities of finished goods maintained at December 31, 1994;

(i) Pay the liabilities and obligations relating to the Division in accordance with their respective terms as the same shall become due and payable; and (j) Operate the business of the Division only in the ordinary course so as to preserve its business organization intact, the goodwill of its suppliers, customers and others having business relations with the Seller.

6.3 Obligations Concerning Employees. On or prior to the Closing Date, the Seller shall notify all of the Division's employees that certain assets of the Division are being sold to the Buyer, that all employees to be hired by the Buyer will be terminated from the employment of the Seller effective as of Closing, and that any decisions by the Buyer regarding its hiring procedures or the hiring of the Division's employees will be communicated to the employees by the Buyer. The Seller shall comply with all provisions of federal and state law relating to the continuation of health insurance benefits for terminated employees. Except with the prior written consent of the Buyer, the Seller shall not cause any of the Division's employees to suffer an "employment loss" as defined in the WARN Act. If any employees of the Division voluntarily terminate their employment with the Seller, Seller shall use all reasonable efforts to deliver to such employees a letter advising them of their obligations with respect to trade secrets and other confidential information, as well as any noncompetition or other contractual commitments (if applicable) of such employees.

6.4 Roster of Employees. On or prior to the Closing Date, the Seller shall deliver to the Buyer an updated version of Schedule 3.7 with respect to its employees and their compensation and benefits.

- 21 -

6.5 Final Payroll. No later than the first regular payroll date of Seller after the Closing Date (or prior thereto, if required by Ohio law), the Seller shall issue to all of the Division's employees payroll checks, dated as of the Closing Date, for all salary wages, accrued vacation and similar compensation (net of usual withholdings) owned to such employees for their

services rendered through the Closing Date.

6.6 Consents of Certain Lessors. The Seller shall support and cooperate with the Buyer in negotiating with the lessors of the leased assets referenced in Section 2.1(c), and shall offer all reasonable assistance requested by the Buyer (exclusive of any financial assistance) in connection therewith.

6.7 Confidentiality/Non-Competition Agreements. The Seller shall assign to Buyer all of Seller's right, title and interest in and to all confidentiality and noncompetition agreements with any, present or former employee of the Division (it being understood that Seller makes no representation as to the assignability thereof).

6.8 Due Diligence.

(a) Generally. The Seller hereby authorizes the Buyer to continue its due diligence examination of the assets, liabilities, books and records of the Seller relating to the business of the Division and to conduct the pre-Closing audit described in Section 6.8(b). The Seller shall (i) make available and assemble at all reasonable times during the Division's normal business hours all records, Leases, Debt Instruments, Contract Rights, Insurance Policies, Intellectual Property Rights and other documents and data related to the Seller's assets and liabilities, (ii) allow the Buyer and its authorized representatives to make physical inspections of the Real Property and buildings located thereon, and (iii) reasonably cooperate with the Buyer's other due diligence requirements. The Buyer may hire legal, actuarial, accounting and other professionals to assist it in its due diligence review, and such representatives shall have reasonable access to the Seller's records and facilities during normal business hours.

(b) Audit. The Buyer shall be entitled to conduct an audit, at the Buyer's expense, of the Division as of a date preceding the Closing Date for the purposes of verifying the Seller's representations and verifying the assets and liabilities of the Division.

(c) Environmental Assessment. The Buyer shall have the right at the Buyer's expense to hire an engineering firm to conduct such environmental assessments of the business of the Division and the Real Property as the Buyer shall deem appropriate.

6.9 Consents and Closing Conditions. The Seller shall use its best efforts (a) to obtain such consents from third parties and to take other actions as may be appropriate in order to fulfill the closing conditions contained herein which are reasonably within its control, and (b) to cause the representations and warranties in Article 3 to be true and correct on and as of the Closing Date. Seller shall notify Buyer promptly if, at any time prior to Closing, any facts come to the Seller's attention which indicate that any of such representations or warranties are or may be untrue on the date hereof or at such time.

6.10 Performance of Land Sale Agreement. The Seller shall cause Land Seller duly to perform the Land Seller's obligations under the Land Sale Agreement in accordance with its terms.

6.11 Certain Assets in Possession of Others. From and after the Closing Date, if Buyer determines that certain assets of the Division purchased pursuant to this Agreement (including without limitation drawings, technical documents and specifications, and customer lists) are in the possession of any current or former affiliate or division of Seller (or any transferee thereof), Buyer may notify Seller in writing of such fact. Seller promptly shall commence all reasonable actions (exclusive of legal proceedings) appropriate to cause any affiliate or division (or transferee) in possession of such assets to transfer possession thereof to Buyer. If Buyer so requests in writing, Seller shall assign to Buyer all rights and causes of action held by Seller against any such person, in order for Buyer to have recourse directly against the party in possession of such assets. Seller has delivered to Buyer true and complete copies of all agreements, certificates and other documents by which (a) any current or former affiliate or division of Seller (or transferee) has certified that it has returned all properties of the Division which are part of the Assets being sold pursuant to this Agreement, and (b) any other purchaser of assets of the Figgie Packaging Systems division of Seller has agreed to surrender possession of any of the Assets.

ARTICLE 7

COVENANTS OF BUYER AND B-W

7.1 Consents and Closing Conditions. The Buyer and B-W each shall use its best efforts (a) to obtain such consents from third parties and to take other actions as may be required in order to fulfill the closing conditions contained herein which are reasonably within its control, and (b) to cause the representations and warranties of the Buyer and B-W in Article 4 to be true and correct on and as of the Closing Date.

7.2 Transfer Taxes. The Buyer shall be responsible for paying any and all state and local sales, use or other transfer tax attributable to the transfer of the Assets; provided that the Seller shall cooperate with the Buyer to the extent necessary to qualify for any statutory or regulatory exemption.

7.3 Confidentiality of Information. Prior to the Closing Date, neither the Buyer nor B-W nor any of their respective employees, agents, auditors, attorneys and other authorized representatives shall without the Seller's prior written consent, communicate or divulge to any person or entity

or use for their benefit any information, other than information becoming public other than by the Buyer's or B-W's action, concerning any confidential business information possessed, owned or used by the Seller that may be communicated to, acquired by or learned by the Buyer or B-W pursuant to this Agreement or the Buyer's or B-W's investigations contemplated hereby.

- 23 -

7.4 Employees. Effective as of the Closing Date, the Buyer shall continue the operations of the Division in its present facility generally as they are presently conducted and offer employment to a substantial number of the then current employees of the Division. Such employees shall be eligible to participate in the benefit plans which are generally available to employees of B-W and its subsidiaries. Within a reasonable time after the execution of this Agreement (and in any event by February 8, 1995), the Buyer shall deliver to the Seller a true and complete list (certified by an officer of Buyer) of all employees of the Division to whom Buyer intends to make offers of full time employment with Buyer.

7.5 Access to Records. After the Closing Date and upon reasonable prior notice to the Buyer, which notice must demonstrate to the reasonable satisfaction of the Buyer a legal or business necessity for access to the records of the Division, the Buyer shall permit the Seller, at the Seller's expense during normal business hours and so as not to interrupt normal operations, to have reasonable access to the records and former employees of the Division. Buyer hereby acknowledges that access for purposes of consummating the sale of those product lines of the Figgie Packaging Systems division that are not the subject of this Agreement, for purposes of preparing tax returns, and for purposes of conducting pending or threatened litigation with respect to certain matters that have been disclosed to the Buyer in writing at the time of execution hereof, shall demonstrate conclusively, upon Seller's request for access for such purposes, a legal or business necessity.

7.6 Land Sale Agreement. If the Land Buyer shall not have entered into the Land Sale Agreement on or before February 8, 1995, then B-W (or a subsidiary thereof reasonably satisfactory to the Seller) shall, if the Seller so requests, enter into the Land Sale Agreement as the "Land Buyer" thereunder. If the Land Buyer named in Exhibit A does enter into the Land Sale Agreement on or before such date, then B-W hereby undertakes to perform all obligations of the Land Buyer under the Land Sale Agreement as its primary obligations if and to the extent such named Land Buyer fails to perform the same.

ARTICLE 8

TAX MATTERS

8.1 Payment of Taxes. The Seller shall timely pay, before the same shall become delinquent and before penalties accrue thereon, all Taxes (including any Taxes incurred in connection with the transactions contemplated by this Agreement, if and to the extent such Taxes are the responsibility of the Seller) (a) shown (or to Seller's knowledge required to be shown) on any Return filed (or to Seller's knowledge required to be filed) by the Seller before, on or after the Closing Date, or (b) that become due from or payable by the Seller before, on or after the Closing Date. This Section 8.1 shall not apply with regard to any Tax to the extent that the Assets cannot be made subject to a lien for such Tax and the Buyer (and its successors, assigns, and affiliates) cannot be made liable for such Tax. Each party shall be responsible for filing Forms W-2 with respect to the 1995 taxable year in accordance with the "Standard Procedure" described in Rev. Proc. 84-77, 1984-2 C.B. 753. The responsibility for all other information returns shall be allocated similarly.

- 24 -

8.2 Cooperation and Records Retention. From time to time, the Seller and the Buyer shall permit reasonable access, and shall cause their respective accountants and other representatives to permit reasonable access to each other, the information that they or their accountants or other representatives have within their control and that may be reasonably necessary in connection with the preparation of any Return or the examination by any taxing authority or other administrative or judicial proceeding relating to any Return. The Seller and the Buyer shall retain or cause to be retained, until the applicable statutes of limitations (including any extensions) have expired, copies of all Returns for all tax periods beginning before the Closing Date, together with supporting work schedules and other records or information that may be relevant to such Returns.

8.3 Tax Elections. No new elections with respect to Taxes, or any changes in current elections with respect to Taxes, affecting the Assets shall be made by the Seller after the date of this Agreement without the prior written consent of the Buyer.

ARTICLE 9

BUYER'S CONDITIONS TO CLOSING

The obligation of the Buyer to consummate the purchase of Assets, the assumption of Assumed Liabilities and the other transactions contemplated by this Agreement shall be subject to the fulfillment to the Buyer's reasonable satisfaction of each of the following conditions:

9.1 Continued Truth of Warranties. The representations and warranties of the Seller in Article 3 hereof shall be true and correct in all material respects on the Closing Date as if made on such date. 9.2 Performance of Covenants. The Seller shall have performed all covenants and obligations and complied with all conditions required by this Agreement or to be performed or complied with by it on or prior to the Closing Date.

9.3 Permits and Consents. The parties hereto shall have secured all appropriate orders, consents, approvals and clearances, in form and substance satisfactory to the Buyer, by and from all third parties, including but not limited to governmental authorities, whose order, consent and approval or clearance is required by contract or applicable law for the consummation of the sale of the Assets and the other transactions herein contemplated; and all applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR Act") shall have expired.

9.4 Due Diligence. The Buyer and its employees, attorneys, accountants and other agents shall have been permitted to conduct a full investigation of the books, records, - 25 -

assets, liabilities and business of the Seller with respect to the Division as provided in Section 6.8, and

(a) no facts shall have come to the attention of the Buyer which indicate a reduction in Working Capital (from that reflected on the December Balance Sheet) and/or the existence of a defect or liability affecting the business of the Division or the Assets or Real Property which in the reasonable judgment of the Buyer does or will result in or represent a reduction, loss or potential liability which, in the aggregate, exceeds \$500,000; and

(b) the Buyer shall have confirmed the material accuracy of all representations and warranties of the Seller set forth herein, except for inaccuracies which are remedied to the Buyer's reasonable satisfaction prior to Closing.

The term "Working Capital" shall mean an amount equal to the excess of (y) all current assets which are part of the Assets, over (z) all current liabilities which are part of the Assumed Liabilities. The Buyer shall give written notice to the Seller prior to Closing with reasonable promptness if the Buyer discovers any inaccuracy in the Seller's representations and warranties contained herein.

9.5 Agreements with Lessors. The Buyer shall have reached agreements reasonably satisfactory to Buyer with Machine Tool Finance Corporation ("MTF") for the assumption of Leases, or the purchase of the properties subject thereto, under which MTF is the lessor.

9.6 Absence of Claims. There shall not be any material

litigation or claim pending or, to the Seller's knowledge, threatened against the Division or the Seller with respect to the business of the Division.

9.7 Real Property Matters. The Land Buyer and the Land Seller shall close the Land Sale Agreement in accordance with its terms simultaneously with the Closing hereunder, it being understood that any breach by the Land Buyer of its obligations under the Land Sale Agreement shall not excuse the Buyer's performance hereunder.

9.8 Releases. The condition to Closing set forth in Section 10.6 shall have been satisfied or waived by the Seller.

9.9 Closing Documents. The Seller shall have delivered all documents required to be delivered by it at Closing, as more specifically set forth in Article 11, in each case in form and substance satisfactory to the Buyer.

- 26 -

ARTICLE 10

SELLER'S CONDITIONS TO CLOSING

The obligation of the Seller to consummate the sale of the Assets and the other transactions contemplated by this Agreement shall be subject to the fulfillment to the Seller's reasonable satisfaction of the following conditions:

10.1 Continued Truth of Warranties. The representations and warranties of the Buyer and B-W herein contained shall be true on and as of the Closing Date with the same force and effect as though made as of such date, except for any variations permitted by this Agreement.

10.2 Performance of Covenants. The Buyer and B-W each shall have performed all covenants and obligations and complied with all conditions required by this Agreement to be performed or complied with by it on or prior to the Closing Date.

10.3 Permits and Consents. The parties hereto shall have secured all appropriate orders, consents, approvals and clearances, in form and substance reasonably satisfactory to the Seller, by and from all third parties, including but not limited to governmental authorities, whose order, consent, approval or clearance is required by contract or applicable law for the consummation of the sale of the Assets and the other transactions herein contemplated; and all applicable waiting periods under the HSR Act shall have expired.

10.4 Real Property Matters. The Land Buyer and the Land Seller shall close the Land Sale Agreement simultaneously with the Closing hereunder, it being understood that any breach by the Land Seller of its obligations under the Land Sale Agreement shall not excuse the Seller's performance hereunder.

10.5 Assumption Agreement for Assumed Liabilities. The Buyer and B-W (or the BWG Subsidiary contemplated by Section 14.4) shall have entered into an assignment and assumption agreement pursuant to which the Buyer (or the BWG Subsidiary) shall assume the Assumed Liabilities. B-W hereby undertakes to perform all obligations of the Buyer under the Assumed Liabilities, as the primary obligations of B-W, if and to the extent the Buyer fails to do so.

10.6 Closing Documents. Each of the Buyer and B-W shall have delivered all documents required to be delivered by it at Closing, as more specifically set forth in Article 11, in each case in form and substance reasonably satisfactory to the Seller.

- 27 -

ARTICLE 11

DOCUMENTS TO BE DELIVERED AT CLOSING

11.1 Documents to be Delivered by Seller. At the Closing, the Seller shall:

(a) Execute and deliver to the Buyer (or its assigns as permitted by Section 14.4) any and all instruments of sale, assignment and transfer and other documents reasonably requested by the Buyer in order to effect the transfer of the Assets to the Buyer, to effect the assumption of the Assumed Liabilities by the Buyer (or such assigns), or otherwise to facilitate the transactions contemplated hereby, such instruments to include, but not be limited to:

- (i) assignments of patents, trademarks, tradenames, copyrights and all applications and licenses therefor, in form suitable for recording with any applicable registration authority (or accompanied by a limited power of attorney reasonably satisfactory to the Buyer), and all other Intellectual Property Rights of the Seller relating to the Division, including without limitation plant patent documents, assumed or fictitious names, corporate names, franchises, discoveries and other know-how;
- (ii) duly endorsed certificates of title to vehicles included within the Assets, together with any appropriate affidavit with respect to the sale price thereof or the odometer reading of such vehicle;

- (iii) assignment and assumption agreements with respect to the Contract Rights to be acquired by the Buyer hereunder, in form reasonably satisfactory to the Buyer, the Seller and any third party whose consent is required to effectively assign such Contract Right to the Buyer;
- (iv) an assumption agreement with respect to the Assumed Liabilities;
- (v) assignments of all letters of credit and similar instruments securing any of the Receivables with respect to which the Seller is beneficiary, together with the originals of such letters of credit and other instruments and a power of attorney in favor of Buyer, authorizing Buyer to sign on behalf of Seller in connection with draws thereunder;
- (vi) a blanket bill of sale and assignment covering the Assets, conveying good and marketable title to the Assets to

- 28 -

the Buyer, and containing "further assurances" language obligating the Seller to execute other appropriate instruments after the Closing in order to confirm the Buyer's title to and possession of such Assets;

- (vii) such other documents, including instruments of sale, transfer and assignment transferring, assigning and conveying the Assets being purchased (and the rights described in Section 6.7) as shall be reasonably requested by the Buyer to permit the Buyer to evidence the transfer of any of the Assets or to vest in the Buyer good, marketable, indefeasible and recordable title to the Assets, free and clear of all liens, claims and encumbrances of third parties (other than as permitted hereby).

(b) Deliver to the Buyer "bring-down" certificates of the Seller's chief financial officer, and certificates of incumbency and copies of the resolutions adopted by the Board of Directors of Seller, authorizing the execution and delivery of this Agreement and the consummation of the sale of the Assets and the other transactions contemplated hereby, duly certified as of the Closing Date by the Secretary or an Assistant Secretary of the Seller;

(c) Deliver to the Buyer certificates of good standing or their equivalent, dated not more than ten days prior to the Closing Date, attesting to

the good standing of the Seller as a corporation under the laws of its state of incorporation and each other jurisdiction listed on Schedule 3.1(b);

(d) Deliver to the Buyer Tax clearance certificates from all appropriate Tax authorities in form reasonably satisfactory to the Buyer in order to relieve the Buyer of any withholding obligations under applicable law;

(e) Cause the Land Seller to deliver to Buyer the excess proceeds from the sale of the Real Property to the Land Buyer, as set forth in a letter, dated as of February 1, 1995, from the Land Seller to the Buyer;

(f) Deliver to the Buyer evidence that all amounts due to and from the Division by the Seller and any of its affiliates have been paid in full;

(g) To the extent any consents or approvals shall be necessary to any of the transactions herein contemplated, or to the sale of Assets, deliver to the Buyer upon request copies of all such consents or approvals as obtained by the Seller.

11.2 Documents to be Delivered by Buyer and/or B-W. At the Closing:

(a) The Buyer and (where appropriate) B-W shall execute and deliver to the Seller any and all documents identified in Section 11.1(a), as specified;

- 29 -

(b) The Buyer and B-W shall deliver to the Seller a "bring-down" certificate of each of the Buyer's and B-W's chief financial officer, and a certificate of incumbency and copies of the resolutions adopted by the Board of Directors of each of the Buyer and B-W, authorizing the execution and delivery of this Agreement and the consummation of the purchase of Assets and the other transactions contemplated hereby, duly certified as of the Closing Date by the Secretary or an Assistant Secretary of each of the Buyer and B-W;

(c) The Buyer and B-W shall deliver to the Seller a certificate of good standing or its equivalent, dated not more than ten days prior to the Closing Date, attesting to the good standing of each of the Buyer and B-W as a corporation under the laws of the State of Missouri;

(d) The Buyer and B-W shall deliver to the Seller an undertaking by Barry-Wehmiller Group Inc. ("Parent") to indemnify the Seller from and against any of the Assumed Liabilities which relate to the Leases identified on Schedule 14.4, such undertaking to be in form and substance reasonably satisfactory to the Seller; and

(e) To the extent any consents or approvals shall be necessary to any

of the transactions herein contemplated, or to the sale of Assets, the Buyer shall deliver to the Seller upon request copies of all such consents or approvals as obtained by the Buyer.

ARTICLE 12

INDEMNIFICATION AND SURVIVAL

12.1 General Indemnification.

(a) By Seller. Subject to the provisions of this Article 12, by execution of this Agreement, the Seller agrees to indemnify the Buyer, B-W and their respective successors and assigns and hold them harmless against and in respect of:

(i) any and all loss, liability, cost, expense or damage (including judgments and settlement payments) incurred by them incident to, arising in connection with or resulting from any misrepresentation, breach or inaccuracy of any representation or warranty by the Seller made or contained in Section 3.1(a), 3.1(c), 3.1(d), 3.1(e), 3.1(f), 3.12 and 3.13, and the last sentence of Section 3.4(a), or in any Schedule relating specifically to such Sections, or in any certificate or other document (excluding any certificate to the effect that representations and warranties in this Agreement are true on the Closing Date) executed and delivered to the Buyer or B-W at the Closing pursuant to this Agreement or the transactions contemplated herein;

- 30 -

(ii) any and all loss, liability, cost, expense or damage (including judgments and settlement payments) incurred by them incident to, arising in connection with or resulting from any breach or non-performance of any covenant or obligation of the Seller made or contained in this Agreement or in any certificate or document executed and delivered to the Buyer or B-W at the Closing pursuant to this Agreement or the transactions contemplated herein;

(iii) any and all loss, liability, cost, expense or damage (including judgments and settlement payments) relating to any violation of, noncompliance with, or obligation under Environmental and Safety Requirements, which

violation, noncompliance or obligation arises from or relates to either the Division's operations prior to the Closing, or the condition of the Assets or Real Property at the time of the Closing;

(iv) any and all loss, liability, cost, expense or damage (including judgments and settlement payments) incurred by them incident to, arising in connection with or resulting from (A) the parties' noncompliance with the bulk transfer laws of any jurisdiction, and (B) all other liabilities and obligations directly or indirectly arising from or relating to acts or failures to act by the Seller prior to the Closing (including but not limited to obligations relating to Taxes), except only the Assumed Liabilities; and

(iv) any and all costs, expenses and all other actual damages incurred by the Buyer or B-W in remedying any breach, misrepresentation, non-performance, inaccuracy or other matter described above, or in enforcing its right of indemnification hereunder, including, by way of illustration and not limitation, all legal and accounting fees, other professional expenses and all filing fees, and collection costs incident thereto and all such fees, costs and expenses incurred in defending claims which, if successfully prosecuted, would have resulted in Damages (as defined herein).

(b) By Buyer and B-W. Subject to the provisions of this Article 12, by execution of this Agreement, the Buyer and B-W jointly and severally agree to indemnify the Seller and its successors and assigns and hold them harmless against and in respect of:

(i) any and all loss, liability, cost, expense or damage (including judgments and settlement payments) incurred by them incident to, arising in connection with or resulting from any misrepresentation, breach or inaccuracy of any representation or warranty by the Buyer made or contained in Section 4.1(a), 4.1(b), 4.1(c), 4.1(d), 4.2 or 4.3, or in any Schedule relating specifically

- 31 -

to such Sections, or in any certificate or other document (excluding any certificate to the effect that representations and warranties in this Agreement are true on the Closing Date) executed and delivered to the Seller at the Closing pursuant

to this Agreement or the transactions contemplated herein;

- (ii) any and all loss, liability, cost, expense or damage (including judgments and settlement payments) incurred by them incident to, arising in connection with or resulting from any breach or non-performance of any covenant or obligation of the Buyer made or contained in this Agreement or in any certificate or document executed and delivered to the Seller at the Closing pursuant to this Agreement or the transactions contemplated herein;
- (iii) any and all loss, liability, cost, expense or damage (including judgments and settlement payments) incurred by them incident to, arising in connection with or resulting from any of the Assumed Liabilities (regardless of whether any of the same may be novated);
- (iv) provided the Seller has complied with its obligations under the third sentence of Section 6.3, any and all loss, liability, cost, expense or damage (including judgments and settlement payments) incurred by them incident to, arising in connection with or resulting from any "plant closing" or "mass layoff" (as respectively defined in the WARN Act) which results from the Buyer's failure to offer employment to all of the Division's employees effective as of the Closing Date; and
- (v) any and all costs, expenses and all other actual damages incurred by the Seller in claiming, contesting or remedying any breach, misrepresentation, non-performance, inaccuracy or other matter described above, or in enforcing their right of indemnification hereunder, including, by way of illustration and not limitation, all legal and accounting fees, other professional expenses and all filing fees, and collection costs incident thereto and all such fees, costs and expenses incurred in defending claims which, if successfully prosecuted would have resulted in Damages (as defined herein).

(c) Damages. Any and all of the items set forth in Sections 12.1(a) and 12.1(b) for which a party is entitled to be indemnified hereunder are called "Damages."

- 32 -

12.2 Notice of, and Procedures for, Collecting Indemnification.

(a) Initial Claim Notice. When a party becomes aware of a situation which may result in Damages for which it would be entitled to be indemnified hereunder, such party (the "Indemnitee") shall submit a written notice (the "Initial Claim Notice") to the other party (the "Indemnitor") to such effect with reasonable promptness after it first becomes aware of such matter and shall furnish the Indemnitor with such information as it has available demonstrating its right or possible right to receive indemnity. If the potential claim is predicated on, or later results in, the filing by a third party of any action at law or in equity (a "Third Party Claim"), the Indemnitee shall provide the Indemnitor with a supplemental Initial Claim Notice not later than ten (10) days prior to the date on which a responsive pleading must be filed, and shall also furnish a copy of such claim (if made in writing) and of all documents received from the third party in support of such claim. Every Initial Claim Notice shall, if feasible, contain a reasonable estimate by the Indemnitee of the losses, costs, liabilities and expenses (including, but not limited to, costs and expenses of litigation and attorneys' fees) which the Indemnitee may incur. In addition, each Initial Claim Notice shall name, when known, the person or persons making the assertions which are the basis for such claim. Failure by the Indemnitee to deliver an Initial Claim Notice or an update thereof in a timely manner shall not relieve the Indemnitor of any of its obligations under this Agreement except to the extent that actual monetary prejudice to the Indemnitor can be demonstrated.

(b) Rights of Indemnitor. If, prior to the expiration of thirty (30) days from the mailing of an Initial Claim Notice (the "Claim Answer Period"), the Indemnitor shall request in writing that such claim not be paid, the same shall not be paid, and the Indemnitor shall settle, compromise or litigate in good faith such claim, and employ attorneys of its choice to do so; provided, however, that the Indemnitee shall not be required to refrain from paying any claim which has matured by court judgment or decree, unless appeal is taken therefrom and proper appeal bond posted by the Indemnitor, nor shall it be required to refrain from paying any claim where such action would result in the foreclosure of a lien upon any of its assets or a default in a lease or other contract except a lease or other contract which is the subject of the dispute. If the Indemnitor elects to settle, compromise or litigate such claim, all reasonable expenses, including but not limited to all amounts paid in settlement or to satisfy judgments or awards and reasonable attorney's fees and costs, incurred by the Indemnitor in settling, compromising or litigating such claim shall be secured to the reasonable satisfaction of the Indemnitee. The Indemnitee shall cooperate fully to make available to the Indemnitor and its attorneys, representatives and agents, all pertinent information under its control. The Indemnitee shall have the right to elect to settle or compromise all other contested claims with respect to which the Indemnitor has not, within the Claim Answer Period, acknowledged in writing (i) liability therefor, and (ii) its election to assume full responsibility for the settlement, compromise, litigation and payment of such claim.

(c) Final Claims Statement. At such time as Damages for which the Indemnitor is liable hereunder are incurred by the Indemnitee by actual payment thereof or by entry of a final judgment, the Indemnitee shall forward a Final Claims Statement to the Indemnitor setting forth the amount of such Damages in reasonable detail on an itemized basis. The Indemnitee shall supplement the

(e.g. vouchers, cancelled checks, accounting summaries, judgments, settlement agreement, etc.) as the Indemnitor may reasonably request in writing within thirty (30) days after receipt of a Final Claims Statement. All amounts reflected on Final Claims Statements shall be paid promptly by the Indemnitor to the Indemnitee.

12.3 Survival. Except for the representations and warranties of Seller which are identified in Section 12.1(a)(i), and the representations and warranties of Buyer and B-W identified in Section 12.1(b)(i) (all of which shall survive the Closing), the representations and warranties of the parties contained in this Agreement shall expire at the time of the Closing.

ARTICLE 13

TERMINATION OF AGREEMENT

13.1 Termination. Anything in this Agreement to the contrary notwithstanding, this Agreement may be terminated and the transactions contemplated hereby abandoned at any time prior to the Closing:

- (a) by mutual written consent of the Buyer, B-W and the Seller;
- (b) upon written notice from the Buyer to the Seller if any of the conditions precedent to the Buyer's or B-W's obligations hereunder shall have become incapable of fulfillment through no fault of the Buyer or B-W;
- (c) upon written notice from the Seller to the Buyer if any of the conditions precedent to the Seller's obligations hereunder shall have become incapable of fulfillment through no fault of the Seller or the Land Seller;
- (d) upon written notice from any party to the other parties hereto if the Closing does not occur by February 28, 1995 (unless the failure to consummate the purchase and sale of the Assets by such date shall be due to the action or failure to act of the party seeking to terminate this Agreement or any affiliate thereof).

13.2 Effect of Termination. If this Agreement is terminated and the transactions contemplated hereby are abandoned pursuant to Section 13.1, then this Agreement shall become null and void and of no effect, except for the provisions of this Article 13 and Article 14 (relating to, among other things, notices, contract construction and effect and confidentiality); provided, however, that such termination shall not affect the right of any party (a) to bring an action against another party for a breach occurring prior to the

termination or for a wrongful termination, (b) to bring an action based on a misrepresentation or breach of warranty in Section 3.13 or 4.2, or (c) to be indemnified under Article 12 with respect to any Damages attributable to such breach or misrepresentation.

- 34 -

ARTICLE 14

MISCELLANEOUS

14.1 Notices. Any notices or other communications required or permitted hereunder (including, by way of illustration and not limitation, any notice permitted or required under Article 12 hereof) to any party hereto shall be sufficiently given when delivered in person, or when by certified or registered mail, postage prepaid, or one business day after dispatch of such notice with an overnight delivery service, or when telecopied if an answer back is received by the sender, in each case addressed as follows:

In the case of the Buyer and B-W:

Barry-Wehmiller Company
8020 Forsyth Boulevard
St. Louis, Missouri 63105
Attn: Timothy J. Sullivan, Vice President and Chief Financial
Officer
Telecopy: (314) 862-8858

and a copy to:

Thompson & Mitchell
One Mercantile Center
St. Louis, Missouri 63101
Attn: Ronald E. Haglof, Esq.
Telecopy: (314) 342-1717

In the case of the Seller:

Figgie International Inc.
4420 Sherwin Road
Willoughby, Ohio 44094
Attn: Steven L. Siemborski
Telecopy: (216) 951-1724

with a copy to:

Mary E. Reeve, Esq.
(at the same address)

and a copy to:

Calfee, Halter & Griswold
800 Superior Avenue, Suite 1800
Cleveland, Ohio 44114
Attn: Joseph K. Juster, Esq.
Telecopy: (216) 241-0816

or such substituted address or attention as any party shall have given notice to the others in writing in the manner set forth in this Section 14.1.

14.2 Amendment. This Agreement may be amended or modified in whole or in part only by an agreement in writing executed by all parties hereto and making specific reference to this Agreement.

14.3 Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument.

14.4 Binding on Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of and be enforceable by and against the parties hereto and their respective successors and assigns in accordance with the terms hereof. The Seller may not assign its interest under this Agreement on or prior to the Closing Date without the prior written consent of the Buyer. The Buyer may designate Barry-Wehmiller Equipment, Inc., a subsidiary of the Parent ("BWG Subsidiary"), to acquire (by assumption or novation) any of the Leases identified on Schedule 14.4 and to assume the obligations of the Seller thereunder, in which case the Buyer and B-W shall have no liability with respect to such Leases and obligations thereunder, provided the undertaking in Section 11.2(d) is furnished to the Seller. The Buyer otherwise may not assign its interest under this Agreement on or prior to the Closing Date without the prior written consent of the Seller. Any party may assign its rights under this Agreement after the Closing Date, but such assignment shall not relieve the assigning party of its obligations hereunder.

14.5 Severability. In the event that any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement and any other

application thereof shall not in any way be affected or impaired thereby; provided, however, that to the extent permitted by applicable law, any invalid, illegal, or unenforceable provision may be considered for the purpose of determining the intent of the parties in connection with the other provisions of this Agreement.

- 36 -

14.6 Publicity. Any public announcements concerning the transaction contemplated by this Agreement shall be jointly planned and simultaneously released by the Buyer and the Seller, and neither of them shall act in this regard without the prior written approval of the other, which approval shall not be unreasonably withheld.

14.7 Headings. The headings in the sections and subsections of this Agreement and in the Schedules are inserted for convenience only and in no way alter, amend, modify, limit or restrict the contractual obligations of the parties.

14.8 List of Exhibits and Schedules. As mentioned in this Agreement, there are attached hereto or delivered herewith, the following Exhibit and Schedules:
EXHIBIT

Section	Document	Reference
Exhibit		
A	Form of Land Sale Agreement	Recitals

SCHEDULES

Schedule

No. Schedule Caption

- 1.1(d) Contract Rights
- 1.1(f) Figgie Names
- 3.1(b) Foreign Qualifications
- 3.1(e) Violations or Conflicts
- 3.1(f) Government Consents
- 3.2(a) December Balance Sheet
- 3.2(b) Undisclosed Liabilities
- 3.2(c) Capital Leases
- 3.2(d) Certain Changes
- 3.3 Tax Matters
- 3.4(a) Properties and Title Exceptions

- 3.4(b) Leases
- 3.4(c) Condition of Assets
- 3.4(f) Inventory
- 3.5 Intellectual Property Rights
- 3.6(a) Debt Instruments
- 3.6(b) Contracts
- 3.6(c) Insurance
- 3.6(d) Status
- 3.7 Employee List, Employment Contracts
- 3.8 Pension and Welfare Plans

- 37 -

- 3.9 Labor Relation
- 3.10 Litigation
- 3.11 Compliance With Laws, Permits and Environmental Matters
- 3.12 Transactions with Affiliates
- 4.1(c) Violations or Conflicts
- 4.1(d) Government Consents
- 14.4 Certain Leases

Each of the foregoing Exhibits and Schedules is incorporated herein by this reference and expressly made a part hereof.

14.9 Expenses. Except to the extent otherwise provided in this Agreement, each of the Seller and the Buyer shall bear its own expenses incurred in connection with this Agreement and the transactions herein contemplated, including, but not limited to, legal and accounting fees and expenses.

14.10 Waivers. The parties may, by written agreement, (a) extend the time for the performance of any of the obligations or other acts of the parties hereto, (b) waive any inaccuracies in the representations contained in this Agreement or in any document delivered pursuant to this Agreement, (c) waive compliance with, or modify, any of the covenants or conditions contained in this Agreement, and (d) waive or modify performance of any of the obligations of any of the parties hereto; provided, that no such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall operate as a waiver of, or an estoppel with respect to, any subsequent insistence upon such strict compliance other than with respect to the matter so waived or modified.

14.11 Entire Agreement; Law Governing. All prior negotiations and agreements between the parties hereto are superseded by this Agreement, and there are no representations, warranties, understandings or agreements other than those expressly set forth herein or in an Exhibit or Schedule delivered pursuant hereto, except as modified in writing concurrently herewith or

subsequent hereto. This Agreement shall be governed by and construed and interpreted according to the internal laws of the State of Missouri, determined without reference to conflicts of law principles.

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- 38 -

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on the day and year first above written.

BARRY-WEHMILLER ACQUISITION CORP.

By

,
(Name, Title)

BARRY-WEHMILLER COMPANY

By

,
(Name, Title)

FIGGIE INTERNATIONAL INC.

By

,
(Name, Title)

- 39 -

ASSET PURCHASE AGREEMENT

AUTHOR'S NAME: NVAR SAM
CLIENT NUMBER: 5016 BARRY-WEHMILLER CO.
MATTER NUMBER: 70589 FIGGIE INC.
FILESHARE ITEM ID: 950030069 VERSION ID: 10
----- --
FILENAME: FIGGIE.AGM
TYPIST USERS NAME: caustin
TODAY'S DATE: February 1, 1995
DUPED FROM 942760074

DO NOT DISCARD THIS PAGE

- 40 -