**DAVID A. BUCK** of Breaux Bridge, Louisiana

- and -

**SUPERIOR MANUFACTURING & HYDRAULICS, INC. 401(K) PROFIT SHARING PLAN & TRUST FOR THE BENEFIT OF DAVID A. BUCK**

- and -

**DANIEL S. BANGERT** of Broussard, Louisiana

- and -

**CHARLES L. DUHE, JR.** of Lafayette, Louisiana

-and-

**JEFF DAIGLE** of Lafayette, Louisiana

As Vendors

- and -

**McCOY CORPORATION**, an Alberta corporation with its head office in Edmonton, Alberta

- and -

**PRECISION DIE TECHNOLOGIES, INC.**, a company incorporated under the laws of Delaware

-and-

**SUPCO/PDT HOLDING COMPANY**, a company incorporated under the laws of Delaware

As Purchasers

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# PURCHASE AGREEMENT

dated July 31, 2007

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**THIS PURCHASE AGREEMENT** dated July 31, 2007,

**AMONG:**

**DAVID A. BUCK** of Breaux Bridge, Louisiana

- and -

**SUPERIOR MANUFACTURING & HYDRAULICS, INC. 401(K) PROFIT SHARING PLAN & TRUST FOR THE BENEFIT OF DAVID A. BUCK**

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**DANIEL S. BANGERT** of Broussard, Louisiana

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**PRECISION DIE TECHNOLOGIES, INC.**, a company incorporated under the laws of Delaware

-and-

**SUPCO/PDT HOLDING COMPANY**, a company incorporated under the laws of Delaware

As Purchasers

**RECITALS:**

A. Universal Grinding, Inc. ("**UGI**") is a company incorporated under the laws of the State of Louisiana which directly owns all of the issued and outstanding shares of Superior Manufacturing & Hydraulics, Inc. ("**Superior**"), a company incorporated under the laws of Louisiana.

B. Superior manufactures, repairs and services hydraulic equipment and manufactures tubular handling equipment for the oil and gas industry.

C. Precision Die Technologies, L.L.C. ("**Precision**") is a limited liability company organized under the laws of the State of Louisiana which manufactures dies and inserts for manual tongs and handling tools for the oil and gas industry.

D. The Vendors collectively own directly all of the issued and outstanding shares of UGI and all of the issued and outstanding membership interests of Precision.

E. The Vendors wish to sell and McCoy Corporation, SUPCO/PDT Holding Company and Precision Die Technologies, Inc. wish to purchase all of the Purchased Shares and Purchased Interests, on the terms and conditions set out herein.

**THE PARTIES AGREE AS FOLLOWS:**

## ARTICLE 1
## INTERPRETATION

**1.1 Definitions**. In this Agreement, including the Recitals to this Agreement, unless the context otherwise requires:

(1) "**Act**" means the *Business Corporations Act* (Alberta), as amended.

(2) "**Affiliate**", with respect to the relationship between two or more corporations, has the meaning attributed to "affiliated bodies corporate" under the Act as of the date of this Agreement and, with respect to the relationship between two or more Persons any of which is not a corporation, a Person is deemed to be an Affiliate of another Person if one of them is Controlled by the other or if both are Controlled by the same Person, and "**Affiliated**" has a corresponding meaning.

(3) "**Agreed Amount**" means the sum of [redacted].

(4) "**Agreement**" means this purchase agreement, including all Schedules to this purchase agreement, as amended, supplemented, restated and replaced from time to time in accordance with its provisions.

(5) "**Applicable Law**" means:

(a) any domestic or foreign statute, law (including common and civil law and privacy laws), code, ordinance, rule, regulation or by-law (zoning or otherwise);

(b) any judgement, order, writ, injunction, decision, ruling, decree or award; or

(c) any Permit;

of any Governmental Authority, binding on or affecting the Person or the Employee Plan referred to in the context in which the term is used or binding on or affecting the property of that Person.

(6) "**Applicable Securities Laws**" means all Applicable Laws governing the offer, distribution and trade of securities and the registration of persons trading in securities in all applicable jurisdictions.

(7) "**Approvals**" means franchises, licences, qualifications, authorizations, consents, certificates, registrations, exemptions, waivers, filings, grants, notifications, privileges, rights, orders, judgements, rulings, directives, Permits, and other permits and approvals.

(8) "**Appurtenances**" means, with respect to any real property:

(a) all buildings, structures, fixtures, improvements and appurtenances located on or forming part of that real property, including those under construction; and

(b) all rights of way, licences, rights of occupation, easements or other similar rights appurtenant to and for the benefit of that real property.

(9) "**Arbitration Act**" means the means the rules and procedures of the American Arbitration Association as applied in Delaware, USA.

(10) "**Assets**" includes the Superior Assets and the Precision Assets.

(11) "**Associate**" has the meaning attributed to that term under the Act as of the date of this Agreement.

(12) "**Balance Sheet**" means the balance sheet of the Companies as at the Financial Statements Date contained in the Financial Statements for the financial year ended on that date.

(13) "**Books and Records**" means all books, records, files and papers of a Company (as the case may be), including computer programs (including source codes and software programs), computer manuals, computer data, financial and Tax working papers, financial and Tax books and records, business reports, business plans and projections, sales and advertising materials, sales and purchases records and correspondence, trade association files, research and development records, lists of present and former customers and suppliers, personnel and employment records, minute and share certificate books, and all copies and recordings of the foregoing.

(14) "**Business**" means the Superior Business and the Precision Business.

(15) "**Business Day**" means any day, except Saturdays and Sundays, on which banks are generally open for business in Lafayette, Louisiana.

(16) "**Claim**" means:

(a) any suit, action, dispute, claim, arbitration, order, summons, citation, ticket, charge, demand or prosecution, whether legal or administrative;

(b) any other proceeding; or

(c) any appeal or application for review,

at law or in equity or before or by any Governmental Authority.

(17) "**Closing**" means the completion of the Transactions.

(18) "**Closing Date**" means July 31, 2007 or such other date as may be agreed to by the Parties in writing.

(19) "**Closing Time**" means 10:00 a.m. on the Closing Date or such other time on the Closing Date as may be agreed to by the Parties.

(20) **"Code"** means the Internal Revenue Code of 1986, as amended from time to time and the regulations promulgated and the rulings issued thereunder. Section references to the Code are to the Code as in effect at the date of this Agreement.

(21) "**Companies**" means collectively, UGI, Superior and Precision and "**Company**" means any of them.

(22) "**Constating Documents**" means, with respect to any Person, its articles or certificate of incorporation or formation, amendment, amalgamation or continuance, memorandum of association, letters patent, supplementary letters patent, by-laws, partnership agreement, limited liability company agreement or other similar document, and all unanimous shareholder agreements, other shareholder agreements, voting trusts, pooling agreements and similar Contracts, arrangements and understandings applicable to the Person's Equity Interests, all as amended, supplemented, restated and replaced from time to time.

(23) "**Contract**" means any agreement, contract, indenture, lease, deed of trust, licence, option, undertaking, promise or any other commitment or obligation, whether oral or written, express or implied, other than a Permit.

(24) "**Control**", with respect to the relationship with a Person, means:

(a) if that Person is a corporation, the holding (other than by way of security) of securities of that Person to which are attached more than 50% of the votes that may be cast for the election of directors and those votes are sufficient, if exercised, to elect a majority of the board of directors; or

(b) the right, directly or indirectly, to direct or cause the direction of the management of the affairs of that Person, whether by ownership of Equity Interests, by Contract or otherwise;

and "**Controls**" and "**Controlled**" have corresponding meanings.

(25) "**CRA**" means the Canada Revenue Agency or any successor agency.

(26) "**EBITDA**" means solely for the Companies: (i) the combined net income for the applicable period; plus (ii) to the extent (but only to the extent) deducted in determining such net income (A) income tax expense, (B) interest expense, (C) amortization and depreciation expenses, (D) extraordinary losses and (E) Allocated Expenses (as defined in Section 2.6); minus (iii) to the extent (but only to the extent) added in determining such net income, any extraordinary gains; all determined in accordance with GAAP.

(27) **"Employee Plans"** means the Precision Plan and the Superior Employee Plans.

(28) **"Employment Agreements"** means the Employment Agreements to be entered into between each of David A. Buck and Daniel S. Bangert with Superior and between Jeff Daigle with Precision substantially in the form of Schedule 24.

(29) "**Encumbrance**" means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, right of occupation, option, right of pre-emption, privilege or any matter capable of registration against title or any Contract to create any of the foregoing.

(30) "**Environmental Laws**" has the meaning attributed to that term in Section 4.2(35).

(31) "**Equity Interests**" means, with respect to any Person, any and all present and future shares, units, trust units, partnership, membership or other interests, participations or other equivalent rights in that Person's equity or capital, however designated and whether voting or non-voting.

(32) "**ERISA**" has the meaning attributed to that term in Section 4.3(36)(a).

(33) "**Exchange**" means the Toronto Stock Exchange.

(34) "**Financial Statements**" means Precision Financial Statements and the Superior Financial Statements.

(35) "**Financial Statements Date**" means December 31, 2006.

(36) "**GAAP**" means United States generally accepted accounting principles consistently applied throughout the periods covered thereby, as in effect from time to time.

(37) "**Governmental Authority**" means any domestic or foreign government, whether federal, state, county, territorial, local, regional, municipal, or other political jurisdiction, and any agency, authority, instrumentality, court, tribunal, board, commission, bureau, arbitrator, arbitration tribunal or other tribunal, or any quasi-governmental or other entity, insofar as it exercises a legislative, judicial, regulatory, administrative, expropriation or taxing power or function of or pertaining to government, including the Exchange.

(38) "**Holdback Agreement**" means the holdback agreement, in the form set forth in Schedule 29, made among the Purchaser, Supco Holding Company, PDT Holding Company, the Vendors and the Purchaser's Counsel in respect of the Holdback Amount.

(39) "**Holdback Amount**" has the meaning attributed to that term in Section 2.3(a)(ii).

(40) "**Indebtedness**" means, with respect to the Companies at any date, without duplication and excluding any of the following to the extent included as a liability in Net Working Capital: (i) all obligations for borrowed money or in respect of loans or advances, (ii) all obligations evidenced by bonds, debentures, notes or other similar instruments or debt securities, (iii) all obligations arising from cash/book overdrafts or negative cash balances and (iv) all capital lease obligations determined in accordance with GAAP.

(41) "**Interim Balance Sheet**" means the combined audited balance sheet of the Companies as at July 31, 2007 which forms part of the Interim Financial Statements.

(42) "**Interim Financial Statements**" means the combined audited financial statements of the Companies for the seven-month period ended July 31, 2007, consisting of the balance sheet, income statement, cash flow statement and statement of retained earnings and all notes, schedules and exhibits thereto.

(43) "**Inventories**" means inventories, including all finished goods, works-in-progress, raw materials, spare parts, replacement parts, and all other materials and supplies owned by a Company to be used or consumed by the Company in the carrying on the Business.

(44) "**IP Purchase Agreement**" means the asset purchase agreement dated as of even date with this Agreement among the Purchaser, David A. Buck and Daniel S. Bangert.

(45) "**IRS**" means the Internal Revenue Service or any successor agency.

(46) "**Issue Date**" means the date on which the Interim Financial Statements accompanied by the signed audit report thereon are released and issued by the Purchaser's Auditors to the Purchaser.

(47) "**Lease Agreements**" means the Superior Lease Agreement and the Precision Lease Agreement.

(48) "**Losses**" means, in respect of any matter, all Claims, demands, losses, damages, liabilities, deficiencies, costs and expenses (including all reasonable legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising as a consequence of that matter, including any reduction in the value of the Purchased Shares resulting from a misrepresentation or breach of warranty or covenant or other obligation but excluding indirect, consequential and punitive damages.

(49) "**Material**" means of such a nature or amount as would reasonably be regarded as significant in relation to the Business or in relation to the capital, prospects, condition (financial or otherwise) or results of operation of the Companies, whether or not significant in relation to the Vendors or the Purchaser, and "**Materially**" has a corresponding meaning.

(50) "**Material Adverse Change**" or "**Material Adverse Effect**" means any change or effect that:

(a) individually or when taken together with all other changes or effects that have occurred during any relevant period of time before the determination of the occurrence of that change or effect is or is reasonably likely to be Materially adverse to the Business, business currently contemplated to be conducted, operations, Assets, liabilities, capital, prospects, condition (financial or otherwise) or results of operations of the Companies; or

(b) Materially adversely affects the ability of the Companies to conduct the Business after the Closing Date substantially as the Business has been conducted to the date of this Agreement.

(51) "**Materially Adversely Affect**" has a corresponding meaning.

(52) "**Non-Competition Agreement**" means the non-competition agreements to be entered into between Charles L. Duhe, Jr. with the Purchaser substantially in the form of Schedule 23.

(53) "**Operating Equipment Lease Agreements**" means the Superior Operating Equipment Lease Agreement and the Precision Operating Equipment Lease Agreement.

(54) "**Ordinary Course**" means, with respect to an action taken by a Person, that the action is consistent with the past practices of the Person and is taken in the normal day-to-day operations of the Person.

(55) "**Parties**" means collectively, the Vendors and the Purchaser, and "**Party**" means any of them.

(56) "**PDT Holding Company**" means Precision Die Technologies, Inc., a company incorporated under the laws of Delaware.

(57) "**Permits**" means franchises, licences, qualifications, authorizations, consents, certificates, registrations, exemptions, waivers, filings, grants, notifications, privileges, rights, orders,

judgments, rulings, directives, permits and other approvals, obtained from or required by a Governmental Authority.

(58) **"Permitted Encumbrances"** means:

(a) servitudes, easements, restrictions, rights-of-way and other similar rights in real property or any interest therein, except that those servitudes, easements, restrictions, rights-of-way and other similar rights are not of such a nature as to Materially Adversely Affect the use by the Companies of the property subject thereto;

(b) undetermined or inchoate liens, charges and privileges incidental to current construction or current operations, except for liens, charges and privileges related to Taxes;

(c) statutory liens, charges, adverse Claims, security interests or Encumbrances of any nature whatsoever claimed or held by any Governmental Authority that have not at the time been filed or registered against the title to the asset or served on the Companies or the Vendors pursuant to Applicable Law or that relate to obligations not due or delinquent, except for statutory liens, charges, adverse Claims, security interests or Encumbrances related to Taxes;

(d) assignments of insurance provided to landlords or their mortgagees or hypothecary creditors pursuant to the terms of any lease and liens or rights reserved in any lease for rent or for compliance with the terms of that lease;

(e) security given in the Ordinary Course to any public utility or Governmental Authority in connection with the operations of the Business, other than security for borrowed money;

(f) the reservations in any original grants from any Governmental Authority of any real property or interest therein and statutory exceptions to title that do not materially detract from the value of the real property concerned or materially impair its use in the operation of the Business; and

(g) the Permitted Encumbrances described in Schedule 16.

(59) **"Person"** is to be broadly interpreted and includes an individual, a corporation, a partnership, a joint venture, a trust, an association, an unincorporated organization, a Governmental Authority, an executor or administrator or other legal or personal representative, or any other juridical entity.

(60) **"Personal Information"** means any information in the possession, custody or control of the Companies about an identifiable individual, and for greater certainty includes all such information which falls within the definition of "personal information" in any personal information protection law of Canada, or any province or territory thereof to which the Companies is subject.

(61) **"Post-Closing Period"** means the taxation period of each Company that is deemed pursuant to the Code to commence at the time Purchaser acquires control of the Companies and each subsequent taxation period.

(62) **"Pre-Closing Period"** means any taxation period of a Company that is not a Post-Closing Period.

(63) **"Precision"** has the meaning attributed to that term in the Recitals.

(64) **"Precision Assets"** means all undertakings, property, assets, rights and interests of Precision, including but not limited to the following:

(a) all rights and interests of Precision in and to the Precision Leased Property and the Precision Leases, including prepaid rents, security deposits, options to renew or purchase, rights of first refusal under the Precision Leases and all leasehold improvements owned by Precision, and forming part of the Precision Leased Property;

(b) the Precision Personal Property and all rights and interests of the Precision, in and to the Precision Personal Property Leases, including prepaid rents, security deposits and options to renew or purchase;

(c) all rights and interests of Precision, under or pursuant to all warranties, representations and guarantees, express, implied or otherwise, of or made by suppliers or others in connection with the Precision Assets;

(d) the Precision Information Technologies;

(e) the Precision Intellectual Property;

(f) all rights and interests of Precision, in and to all Contracts to which it is a party or by which any of the Precision Assets or the Precision Business is bound or affected;

(g) all Approvals issued to Precision;

(h) the Books and Records of Precision;

(i) all prepaid charges, deposits, sums and fees paid by Precision before the Closing Time;

(j) all goodwill of the Precision, including the present telephone numbers, internet domain addresses and other communications numbers and addresses of Precision; and

(k) all proceeds of any or all of the foregoing received or receivable after the Closing Time.

(65) **"Precision Business"** means the business carried on currently and prior to the date of this Agreement by Precision consisting of the manufacturing of dies and inserts for the oil and gas industry.

(66) **"Precision Employee Plans"** has meaning attributed to that term in Section 4.3(36)(a).

(67) **"Precision Financial Statements"** means the unaudited financial statements of Precision as at and for the financial years ended December 31, 2006 and December 31, 2005, each consisting of the balance sheet and income statement which have been prepared in accordance with GAAP, subject to the qualifications noted in the footnotes of such financial statements, applied on a consistent basis from the books and records of Precision and present fairly and accurately the financial condition and results of operations of Precision and are attached as Schedule 2.

(68) **"Precision Information Technologies"** means the computer equipment and associated peripheral devices and the related operating and application systems and other software owned, leased or licensed by Precision.

(69) "**Precision Insurance Policies**" has the meaning attributed to that term in Section 4.3(18).

(70) "**Precision Intellectual Property**" means all intellectual property used by Precision in carrying on the Precision Business including, without limitation, (i) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and re-examinations thereof, (ii) all trademarks, service marks, trade dress, logos, trade names, domain names and corporate names (including, without limitation, the name "Precision Die Technologies" together with all translations, adaptations, derivations, and combinations thereof, if any exist, and including all goodwill associated therewith, (and with said trademarks, logos and copyrights not being currently registered) and all applications, registrations, and renewals in connection therewith, (iii) all copyrightable works, all copyrights, and all applications, registrations and renewals in connection therewith, (iv) all trade secrets, confidential business information and other information (including ideas, research and development, know-how, formulas, compositions, design, product selection, fabrication, assemblage and manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (v) all computer software (including data and related documentation and including software installed on hard disk drives) other than off-the-shelf computer software subject to shrinkwrap or clickwrap licenses and (vi) all copies and tangible embodiments of any of the foregoing (in whatever form or medium).

(71) "**Precision Lease Agreements**" means the real property lease dated as of May 1, 2007 between Precision and Cypress Meadow Properties Inc., as amended, in respect of the Precision Leased Property in the form set out in Schedule 3.

(72) "**Precision Leased Property** " has the meaning attributed to that term in Section4.3(9).

(73) "**Precision Leases**" has the meaning attributed to that term in Section 4.3(10).

(74) "**Precision Operating Equipment Leases**" means the leases between Precision and Superior Leasing, L.L.C. in respect of certain equipment used in the operations of the Precision Business in the form set out in Schedule 30.

(75) "**Precision Personal Property**" has the meaning attributed to that term in Section 4.3(13).

(76) "**Precision Personal Property Leases**" has the meaning attributed to that term in Section 4.3(14).

(77) "**Precision Principals**" has the meaning attributed to that term in Section 4.3.

(78) "**Principals**" means the Superior Principals and the Precision Principals.

(79) "**Purchase Price**" has the meaning attributed to that term in Section 2.2.

(80) "**Purchased Interests**" means all of the issued and outstanding membership interests in Precision.

(81) "**Purchased Shares**" means all of the issued and outstanding shares in the capital of UGI.

(82) "**Purchaser**" means McCoy Corporation, a corporation incorporated under the laws of Alberta.

(83) **"Purchaser's Auditors"** means PricewaterhouseCoopers LLP, Chartered Accountants.

(84) **"Purchaser's Counsel"** means Davis LLP, or other counsel selected by the Purchaser.

(85) **"Representatives"** means, with respect to any Party, its Affiliates and, if applicable, its and their respective directors, officers, employees, agents and other representatives and advisors.

(86) **"Share Pledge Agreement"** means the share pledge agreement to be entered into among David A. Buck, the Purchaser, and Davis LLP substantially in the form of Schedule 28 to secure the indemnification obligation of David A. Buck pursuant to Section 7.3 of this Agreement.

(87) **"Supco Holding Company"** means SUPCO/PDT Holding Company, a company incorporated under the laws of Delaware.

(88) **"Superior"** has the meaning attributed to that term in the Recitals.

(89) **"Superior Assets"** means all undertakings, property, assets, rights and interests of Superior, including the following:

(a) all rights and interests of Superior in and to the Superior Leased Property and the Superior Leases, including prepaid rents, security deposits, options to renew or purchase, rights of first refusal under the Superior Leases and all leasehold improvements owned by Precision, and forming part of the Superior Leased Property;

(b) the Superior Personal Property and all rights and interests of the Superior, in and to the Superior Personal Property Leases, including prepaid rents, security deposits and options to renew or purchase;

(c) all rights and interests of Superior, under or pursuant to all warranties, representations and guarantees, express, implied or otherwise, of or made by suppliers or others in connection with the Superior Assets;

(d) the Superior Intellectual Property;

(e) the Superior Information Technologies;

(f) all rights and interests of Superior, in and to all Contracts to which it is a party or by which any of the Superior Assets or the Superior Business is bound or affected;

(g) all Approvals issued to Superior;

(h) the Books and Records of UGI and Superior;

(i) all prepaid charges, deposits, sums and fees paid by Superior before the Closing Time;

(j) all goodwill of Superior, including the present telephone numbers, internet domain addresses and other communications numbers and addresses of Superior; and

(k) all proceeds of any or all of the foregoing received or receivable after the Closing Time.

(90) "**Superior Business**" means the business carried on currently and prior to the date of this Agreement by Superior consisting of the manufacture, repair and servicing of hydraulic equipment and manufacture tubular handling equipment.

(91) "**Superior Employee Plans**" has the meaning attributed to that term in Section 4.2(36)(a).

(92) "**Superior Financial Statements**" means the unaudited consolidated financial statements of UGI and Superior as at and for the financial years ended December 31, 2006 and December 31, 2005, each consisting of the balance sheet and income statement which have been prepared in accordance with GAAP, subject to the qualifications noted in the footnotes of such financial statements, applied on a consistent basis, from the books and records of UGI and Superior and present fairly and accurately the financial condition and results of operations of UGI and Superior and are attached as Schedule 2.

(93) "**Superior Information Technologies**" means the computer equipment and associated peripheral devices and the related operating and application systems and other software owned, leased or licensed by Superior.

(94) "**Superior Insurance Policies**" has the meaning attributed to that term in Section 4.2(19).

(95) "**Superior Intellectual Property**" means all intellectual property used by Superior in carrying on the Superior Business including, without limitation, (i) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and re-examinations thereof, (ii) all trademarks, service marks, trade dress, logos, trade names, domain names and corporate names (including, without limitation, the name "Superior Manufacturing & Hydraulics, Inc." together with all translations, adaptations, derivations, and combinations thereof and including all goodwill, if any exist, associated therewith, (and with said trademarks, logos and copyrights not being currently registered) and all applications, registrations, and renewals in connection therewith, (iii) all copyrightable works, all copyrights, and all applications, registrations and renewals in connection therewith, (iv) all trade secrets, confidential business information and other information (including ideas, research and development, know-how, formulas, compositions, design, product selection, fabrication, assemblage and manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (v) all computer software (including data and related documentation and including software installed on hard disk drives) other than off-the-shelf computer software subject to shrinkwrap or clickwrap licenses and (vi) all copies and tangible embodiments of any of the foregoing (in whatever form or medium).

(96) "**Superior Leases**" has the meaning attributed to that term in Section 4.2(11).

(97) "**Superior Lease Agreements**" means the real property leases dated as of October 1, 2006 between Superior and Cypress Meadow Properties, Inc., as amended, in respect of the Superior Leased Property in the form set out in Schedule 3.

(98) "**Superior Leased Property** " has the meaning attributed to that term in Section 4.2(10).

(99) "**Superior Operating Equipment Lease Agreement**" means the leases between Superior and Superior Leasing, L.L.C. in respect of certain equipment used in the operations of the Superior Business in the form set out in Schedule 30.

(100) "**Superior Personal Property**" has the meaning attributed to that term in Section 4.2(14).

(101) "**Superior Personal Property Leases**" has the meaning attributed to that term in Section 4.2(15).

(102) "**Superior Principals**" has the meaning attributed to that term in Section 4.2.

(103) "**Taxes**" means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof whether disputed or not (including, but not limited to those levied on, or measured by, or referred to as, income, gross receipts, profits, capital stock, transfer, land transfer, sales, goods and services, harmonized sales, use, valued-added, excise, stamp, withholding, premium, business, franchising, real property, personal property, intangible property, employer health, payroll, employment, health, social services, education and social security taxes, surtaxes, customs duties and import and export taxes, licence, franchise and registration fees and employment insurance, health insurance, severance, start-up, occupation, windfall profits, environmental, unemployment, disability, alternative or add-on minimum tax, government pension plan premiums or contributions), and "**Tax**" has a corresponding meaning.

(104) "**Tax Return**" means all returns, declarations, designations, forms, schedules, reports, claim for refund or information return or statement and other documents of every nature whatsoever required to be filed with any Governmental Authority with respect to any Taxes, including any schedule or attachment thereto, and any amendment thereof.

(105) "**Third Party Claim**" has the meaning attributed to that term in Section 7.7(1).

(106) "**Transactions**" means the transactions contemplated by this Agreement.

(107) "**Transmission**" has the meaning attributed to that term in Section 8.15(1).

(108) "**Trust**" means Superior Manufacturing & Hydraulics, Inc. 401(k) Profit Sharing Plan & Trust for the benefit of David A. Buck.

(109) "**Trustee**" means a trustee of the Trust.

(110) "**UGI**" has the meaning attributed to that term in the Recitals.

(111) "**Vendors**" means, collectively, David A. Buck, the Trust, Daniel S. Bangert, Charles L. Duhe, Jr. and Jeff Daigle.

(112) "**Vendors' Counsel**" means Law Offices of Steven J. Dupuis, or other counsel selected by the Vendors.

(113) "**Vendor's Purchased Interests**" means, with respect to a Vendor, the number of the Purchased Interests set out opposite that Vendor's name on Schedule 4.

(114) **"Vendor's Shares"** with respect to a Vendor, the number of the Purchased Shares set out opposite that Vendor's name on Schedule 4.

**1.2 Construction**. This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.

**1.3 Certain Rules of Interpretation**. In this Agreement:

(a) the division into Articles and Sections and the insertion of headings and the Table of Contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement;

(b) the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular portion of this Agreement; and

(c) unless specified otherwise or the context otherwise requires:

(i) references to any Article, Section or Schedule are references to the Article or Section of, or Schedule to, this Agreement;

(ii) "including" or "includes" means "including (or includes) but is not limited to" and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it;

(iii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of";

(iv) references to Contracts are deemed to include all present and future amendments, supplements, restatements and replacements to those Contracts;

(v) references to any legislation, statutory instrument or regulation or a section thereof, unless otherwise specified, is a reference to the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time;

(vi) words in the singular include the plural and vice-versa and words in one gender include all genders.

**1.4 Knowledge**. In this Agreement, any reference to the knowledge and awareness of any Party means to the best of the knowledge or awareness, information and belief of the Party. A Person will be deemed to have knowledge of a particular fact or matter if:

(a) such Person is actually aware of such fact or other matter; or

(b) if, because of the existence of a fact or matter of which such person is actually aware, such Person could reasonably be expected to conduct a reasonably comprehensive investigation and such investigation would have revealed the existence of such fact or other matter.

**1.5 Currency and Payment**. In this Agreement, all references to dollar amounts or "$" are to United States dollars.

**1.6 Accounting Terms**. In this Agreement, unless specified otherwise, each accounting term has the meaning assigned to it under GAAP.

**1.7 Schedules**. The following Schedules are attached to and form part of this Agreement:

| | |
|---|---|
| Schedule 1 | Accounts and Attorneys |
| Schedule 2 | Financial Statements |
| Schedule 3 | Lease Agreements |
| Schedule 4 | Purchased Shares and Purchased Interests |
| Schedule 5 | Customer and Supplier Information |
| Schedule 6 | Directors and Officers |
| Schedule 7 | Employee Matters |
| Schedule 8 | Environmental Matters |
| Schedule 9 | Extra-Provincial and Foreign Jurisdictions |
| Schedule 10 | Information Technologies Matters |
| Schedule 11 | Insurance Policies |
| Schedule 12 | Intellectual Property Matters |
| Schedule 13 | Litigation |
| Schedule 14 | Material Contracts and Other Contracts |
| Schedule 15 | Permits |
| Schedule 16 | Permitted Encumbrances |
| Schedule 17 | Personal Property Matters |
| Schedule 18 | Product Warranties |
| Schedule 19 | Real Property Matters |
| Schedule 20 | Regulatory Approvals |
| Schedule 21 | Third Party Approvals |
| Schedule 22 | Conduct of Business |
| Schedule 23 | Form of Non-Competition Agreement |
| Schedule 24 | Form of Employment Agreement |
| Schedule 25 | Form of Opinion of Purchaser's Counsel |
| Schedule 26 | Form of Opinion of Vendors' Counsel |
| Schedule 27 | Form of Resignation and Release |
| Schedule 28 | Form of Share Pledge Agreement |
| Schedule 29 | Form of Holdback Agreement |
| Schedule 30 | Form of Operating Equipment Lease Agreement |
| Schedule 31 | Changes |
| Schedule 32 | Inventories |
| Schedule 33 | Allocation of Purchase Price |

## ARTICLE 2
## PURCHASE AND SALE OF PURCHASED SHARES AND PURCHASED DEBT

**2.1 Agreement to Purchase and Sell.**

(a) Subject to the terms and conditions of this Agreement, at the Closing Time the Superior Principals shall sell to Supco Holding Company and Supco Holding Company shall purchase from the Superior Principals, all of the Purchased Shares, constituting all of the issued and outstanding shares in the capital of UGI.

(b) Subject to the terms and conditions of this Agreement, at the Closing Time the Precisions Principals shall sell to PDT Holding Company and PDT Holding Company shall purchase from the Precision Principals, all of the Purchased Interests, constituting all of the issued and outstanding membership interests of Precision.

**2.2 Purchase Price.**

(a) Subject to the terms and conditions of this Agreement, the aggregate purchase price (the "**Purchase Price**"), subject to adjustment pursuant to Sections 2.5 and 2.6, to be paid by Supco Holding Company and PDT Holding Company to the Vendors for the Purchased Shares and the Purchased Interests shall be US$15,595,000 for the Purchased Shares and Purchased Interests, as to US$9,800,000 for the Purchased Shares and as to US$5,795,000 for the Purchased Interests.

(b) The consideration to be paid to each of the Vendors for Purchased Shares and for Purchased Interests is specifically and separately set out in Schedule 33.

(c) The consideration to be paid to Precision Principals for Precision Interests pursuant to Section 2.2 shall be allocated among the Precision Assets which shall be prepared by PDT Holding Company within 30 days of Closing. The allocation prepared by PDT Holding Company shall, unless unreasonable, serve as the accepted allocation and PDT Holding Company and Precision Principals shall (i) reflect the Precision Assets on their books and for federal, state, local and foreign tax reporting purposes in accordance with such allocation; (ii) file all forms required under Section 1060 of the Code (including, but not limited to, Form 8594) and all other tax returns and reports in accordance with and based upon such allocation, and (iii) unless required to do so in accordance with a "determination" as defined in Section 1313(a)(1) of the Code, take no position in any tax return, tax proceeding, tax audit or otherwise which is inconsistent with such allocation.

**2.3 Payment of Purchase Price** Supco Holding Company and PDT Holding Company shall pay and fully satisfy the payment of the Purchase Price by:

(a) as to the amount of US$13,475,600, payment and delivery to the Vendors' Counsel at the Closing Time by wire transfer; and

(b) as to the amount of [DEDACTED] (the "**Holdback Amount**"), payment and delivery to the Purchaser's Counsel at Closing Time by wire transfer to "Davis LLP", in trust", which amount shall be held in trust with the Purchaser's Counsel and distributed in accordance with the Holdback Agreement..

**2.4 [DEDACTED]**

**2.5 Purchase Price Adjustments - [DEDACTED]**

**2.6 Purchase Price Adjustments - [DEDACTED]**

## ARTICLE 3
## CLOSING ARRANGEMENTS

**3.1 Closing**. The Closing shall take place at the Closing Time at the offices of the Vendors' Counsel in Lafayette, Louisiana or at such other place as may be agreed to by the Vendors and the Purchaser.

**3.2 Vendors' Closing Deliveries**. At the Closing, the Vendors shall deliver or cause to be delivered to the Purchaser (in the case of item (d) below, at the premises of Superior) the following:

(a) certificates representing the Purchased Shares, accompanied by stock transfer powers duly executed in blank or duly executed instruments of transfer, and all such other assurances, consents and other documents as the Purchaser may reasonably request to effectively transfer to Supco Holding Company title to the Purchased Shares free and clear of all Encumbrances;

(b) certificates representing the Purchased Interests, accompanied by duly executed instruments of transfer, and all such other assurances, consents and other documents as the Purchaser may reasonably request to effectively transfer to PDT Holding Company title to the Purchased Interests free and clear of all Encumbrances;

(c) original share registers, membership interests registers, membership interest transfers ledgers, share transfer ledgers, minute books and corporate seals (if any) of the Companies;

(d) all other Books and Records;

(e) a certified copy of a resolution of the board of directors of each of the Companies consenting to the transfer of the Purchased Shares and Purchased Interests, as the case may be, from the Vendors to the Purchaser as contemplated by this Agreement and authorizing the execution, delivery and performance of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Companies other than the Lease Agreements and the Employment Agreements;

(f) written resignations and releases of David A. Buck, Daniel S. Bangert, Charles L. Duhe, Jr. and Jeff Daigle as employees, directors and officers of the Companies (as the case may be) with effect from the Closing Date, substantially in the form attached as Schedule 27;

(g) in respect of the Companies:

(i) a certificate of status or its equivalent under the laws of the jurisdiction of its incorporation; and

(ii) a certificate of incumbency; and

(h) the Employment Agreements duly executed by the parties thereto;

(i) the Non-Competition Agreement, duly executed by the parties thereto;

(j) the Holdback Agreement, duly executed by each of the Vendors;

(k) amendments to the Lease Agreements duly executed by the parties thereto;

(l) the IP Purchase Agreement duly executed by the Vendors under such Agreement, and all other agreements, instruments, conveyances and other documents to be provided to the Purchaser thereunder;

(m) a favourable opinion of the Vendors' Counsel, addressed to the Purchaser and dated the Closing Date, in form and substance satisfactory to the Purchaser, acting reasonably, as to the matters described in Schedule 26;

(n) the Share Pledge Agreement executed by David A. Buck; and

(o) such other documentation as the Purchaser may reasonably request in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Purchaser, acting reasonably.

3.3 **Purchaser's Closing Deliveries**. At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendors the following:

(a) payment of the amounts required to be paid and delivered under Section 2.3 and Section 2.5 (as applicable);

(b) in respect of the Purchaser:

(i) a certificate of status or its equivalent under the laws of the jurisdiction of its incorporation;

(ii) a certificate of incumbency; and

(iii) true, accurate and complete copies of the Purchaser's Constating Documents;

(c) the Holdback Agreement, duly executed by each of the Purchaser, Supco Holding Company and PDT Holding Company and the Purchaser's Counsel;

(d) a favourable opinion of the Purchaser's Counsel, addressed to the Vendors and dated the Closing Date, in form and substance satisfactory to the Vendors, acting reasonably, as to the matters described in Schedule 25;

(e) the Share Pledge Agreement executed by the Purchaser and Davis LLP; and

(f) such other documentation as the Vendors may reasonably request in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Vendors, acting reasonably.

## ARTICLE 4
## REPRESENTATIONS AND WARRANTIES

**4.1 Representations and Warranties of the Vendors.** Each of the Vendors represents and warrants to the Purchaser, Supco Holding Company and PDT Holding Company as to only themselves respectively (and not as to the other Vendors and in the case of items (2), (3) and (4) below, only with regard to the Vendors' Shares and the Vendors' Purchased Interests held by each Vendor) as follows and acknowledge that the Purchaser, Supco Holding Company and PDT Holding Company are relying on these representations and warranties in connection with the purchase of the Purchased Shares and the Purchased Interests and that Supco Holding Company and PDT Holding Company would not purchase the Purchased Shares and the Purchased Interests without these representations and warranties:

(1) Authorization. This Agreement has been duly authorized, executed and delivered by the Vendors. Each of the contracts, agreements and instruments required by this Agreement to be delivered by them will at the Closing Time have been duly authorized, executed and delivered by them.

(2) Ownership of Vendors' Shares. Each Vendor (other than Daniel S. Bangert and Jeff Daigle who do not hold any Purchased Shares ) is the registered and beneficial owner of all of that Vendor's Shares, with good and marketable title thereto, free and clear of all Encumbrances except those to be discharged at or after Closing, and has the exclusive right to dispose of such Vendor's Shares as provided in this Agreement. None of such Vendor's Shares is subject to (i) any Contract or restriction which in any way limit or restrict the transfer to the Purchaser of the Vendor's Shares other than the transfer restrictions in the respective Company's articles; and (ii) any voting trust, pooling agreement, shareholder agreement, voting agreement or other Contract, arrangement or understanding with respect to the voting of the Vendor's Shares (or any of them)

other than as set out in Schedule 4, true, accurate and complete copies of which, or where the Contracts, arrangements or understandings are oral, true, accurate and complete summaries of the terms of which, have been provided to the Purchaser. At or prior to the Closing Time, all those Contracts and restrictions will have been complied with or terminated and evidence of that compliance or termination in form and substance satisfactory to the Purchaser will have been provided to the Purchaser. On completion of the Transactions, they will have no ownership interest in the Companies, whether direct or indirect, actual or contingent, and the Purchaser shall have good title to the such Vendor's Shares, free and clear of all Encumbrances other than Encumbrances granted by the Purchaser.

(3) Ownership of the Purchased Interests. Each of the Vendors (other than the Trust who does not hold any Purchased Interests) is the registered and beneficial owner of all of that Vendor's Purchased Interests, with good and marketable title thereto, free and clear of all Encumbrances except those to be discharged at or after Closing, and has the exclusive right to dispose of such Vendor's Purchased Interest as provided in this Agreement. None of such Vendor's Purchased Interests is subject to (i) any Contract or restriction which in any way limit or restrict the transfer to the Purchaser of the Vendor's Purchased Interests other than the transfer restrictions in Precision's articles of organization; and (ii) any voting trust, pooling agreement, membership agreement, voting agreement or other Contract, arrangement or understanding with respect to the voting of the Vendor's Purchased Interests (or any of them) other than as set out in Schedule 4, true, accurate and complete copies of which, or where the Contracts, arrangements or understandings are oral, true, accurate and complete summaries of the terms of which, have been provided to the Purchaser. At or prior to the Closing Time, all those Contracts and restrictions will have been complied with or terminated and evidence of that compliance or termination in form and substance satisfactory to the Purchaser will have been provided to the Purchaser. On completion of the Transactions, they will have no ownership interest in Precision, whether direct or indirect, actual or contingent, and the Purchaser shall have good title to the such Vendor's Purchased Interests, free and clear of all Encumbrances other than Encumbrances granted by the Purchaser.

(4) No Other Agreements to Purchase. No Person other than the Purchaser has any Contract or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract for the purchase or acquisition from that Vendor of any of that Vendor's Shares or the Vendor's Purchased Interests owned by that Vendor.

(5) Bankruptcy. Each Vendor is not an insolvent Person within the meaning of any federal or state bankruptcy, insolvency, reorganization or similar laws and has not made an assignment in favour of their creditors or a proposal in bankruptcy to their creditors or any class thereof, and no petition for a receiving order has been presented in respect of them. They have not initiated proceedings with respect to a compromise or arrangement with their creditors. No receiver or interim receiver has been appointed in respect of them or any of their undertakings, property or assets (including the Purchased Shares and the Purchased Interests) and no execution or distress has been levied on any of their undertakings, property or assets (including the Purchased Shares and the Purchased Interests), nor have any proceedings been commenced in connection with any of the foregoing.

(6) Litigation. There are no Claims (whether or not purportedly on his behalf) pending or outstanding or, to their knowledge, threatened against them which could affect a Vendor's Shares, a Vendor's Purchased Interests or a Vendor's ability to perform his or her obligations under this Agreement. To their knowledge there is not any factual or legal basis on which any such Claim might be commenced with any reasonable likelihood of success.

**4.2 Representations and Warranties of the Vendors Relating to UGI and Superior**. Each of David A. Buck, the Trust and Charles L. Duhe, Jr. (collectively, the "**Superior Principals**") represent and warrant to the Purchaser, Supco Holding Company and PDT Holding Company as follows and acknowledge that the Purchaser, Supco Holding Company and PDT Holding Company are relying on these representations and warranties in connection with its purchase of the Purchased Shares.

(1) Organization and Status. Each of UGI and Superior is duly incorporated and organized, and is validly subsisting, under the laws of the State of Louisiana and is up-to-date in the filing of all corporate and similar returns under the laws of that jurisdiction. Each of UGI and Superior is duly registered, licensed or qualified and is in good standing and up-to-date in the filing of all corporate and similar returns, under the laws of the jurisdictions set out in Part I of Schedule 9. The jurisdictions set out in Part I of Schedule 9 are the only jurisdictions in which the nature of the Superior Business or the Superior Assets makes the registration, licensing or qualification necessary.

(2) Corporate Power of Superior. Superior has all necessary corporate power and authority to own or lease the Superior Assets and to carry on the Superior Business as now being conducted by it.

(3) Corporate Power of UGI. UGI has carried on minimal business since incorporation and has minimal assets (other than 10,000 shares of Superior) and no Material liabilities or other obligations.

(4) Authorized and Issued Capital. Part I of Schedule 4 sets out the authorized and issued shares of each of UGI and Superior, the names of the Persons who are shown on the securities register of each of UGI and Superior as the holder of any of the shares, the names of the Persons who are the beneficial owners of any of the shares, and the number and class of shares held or owned, as the case may be, by each Person. All of the shares indicated in Schedule 4 as being issued and outstanding have been validly issued and are outstanding as fully paid and non-assessable shares, and were not issued in violation of the pre-emptive rights of any Person or any Contract or Applicable Law by which each of UGI and Superior was bound as the time of the issuance. True, accurate and complete copies of the Constating Documents (including all Contracts, arrangements and understandings set out in Schedule 4) and other organizational documents of each of UGI and Superior, or where those Contracts, arrangements or understandings are oral, true, accurate and complete written summaries of their Material terms, have been provided to the Purchaser.

(5) Options. No Person has any Contract or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any issued or un-issued shares or other securities of each of UGI and Superior.

(6) Absence of Conflict. The execution, delivery and performance of this Agreement by the Superior Principals and the completion of the Transactions will not (whether after the passage of time or notice or both), result in:

(a) the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of any of its obligations, under:

(i) any Contract to which UGI and Superior is a party or by which the Superior Business or any of the Superior Assets is bound or affected;

(ii) any provision of the Constating Documents or resolutions of the board of directors (or any committee thereof) or shareholders of each of UGI and Superior;

(iii) any judgement, decree, order or award of any Governmental Authority having jurisdiction over each of UGI and Superior; or

(iv) any Approval issued to or held by, UGI and Superior or held for the benefit of or necessary to the operation of, UGI, Superior or the Superior Business.

(b) the creation or imposition of any Encumbrance over any of the Superior Assets; or

(c) the requirement of any Approval from any of its creditors.

(7) Conduct of Business. Superior has complied with, and has conducted and is conducting the Superior Business in Material compliance with, all Applicable Laws. The Superior Business is the only business operation carried on by UGI and Superior and the Superior Assets are sufficient to permit the continued operation of the Superior Business in substantially the same manner as conducted in the one year preceding the date of this Agreement. During the two year period preceding the date of this Agreement, there has not been any significant interruption of operations (being an interruption of more than five (5) Business Days) of the Superior Business due to inadequate maintenance of any of the Superior Assets other than as described in Schedule 22.

(8) Subsidiaries. Superior does not own and does not have any Contracts of any nature to acquire, directly or indirectly, any Equity Interests in any Person and Superior does not have any Contracts to acquire by any manner whatsoever or lease any other business operations. Other than Superior, UGI does not own and does not have any Contracts of any nature to acquire, directly or indirectly, any Equity Interests in any Person and Superior does not have any Contracts to acquire by any manner whatsoever or lease any other business operations.

(9) Bankruptcy. Each of UGI and Superior is not an insolvent Person within the meaning of any federal or state bankruptcy, insolvency, reorganization or similar laws and has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, and no petition for a receiving order has been presented in respect of it. Each of UGI and Superior has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of each of UGI and Superior or any of the Superior Assets and no execution or distress has been levied on any of the Superior Assets, nor have proceedings been commenced in connection with any of the foregoing.

(10) Location of Leased Property. UGI neither owns nor leases any real property. Superior owns no real property. Part I of Part A of Schedule 19 is a true, accurate and complete list of all real property and Appurtenances owned or leased by Superior (the "**Superior Leased Property**"), and sets out in respect of each property, the municipal address and a true, accurate and complete legal description of that property. Superior is not the beneficial or registered owner of or the lessor or lessee of, and has not agreed to acquire or lease any real property or Appurtenances or any interest in, any real property or Appurtenances other than the Superior Leased Property. Part II of Part A Schedule 19 is a complete and accurate list of all other real property and Appurtenances, other than the Superior Leased Property, which Superior has at any time owned, occupied, leased, managed or controlled, in which it has at any time had a legal or beneficial

interest, on which it has at any time conducted business or other operations or in respect of which it has been responsible for any business or operations conducted thereon, and sets out in respect of each property, the municipal address and accurate description of the nature and dates of Superior's ownership, occupation, leasing, management, control or other activity on or responsibility for, the property.

(11) Real Property Leases. Part III of Part A of Schedule 19 is a true, accurate and complete list of all leases and agreements in the nature of a lease (including all renewals, assignments and subleases and agreements to lease in respect of any real property or Appurtenances to which Superior is a party (the "**Superior Leases**")), whether as lessor or lessee. Schedule 19 sets out, in respect of the Superior Lease, the parties thereto, its dates of execution and expiry, any options to renew, the locations of the leased lands and premises and the rent payable, and identifies the Superior Lease that require the consent of the lessor on a change of control of the Superior, if any such consent is necessary. Superior is not a party to, and has not agreed to enter into, any lease or agreement in the nature of a lease in respect of any real property or Appurtenances, whether as lessor or lessee, other than the Superior Leases and the Superior Lease Agreements. True, accurate and complete copies of all Contracts set out in Schedule 19, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(12) Other Real Property Matters and Leased Property Matters. Except as described in Part I of Part A of Schedule 19, Superior occupies Superior's Leased Property and has the exclusive right to use and occupy the Superior Leased Property. The Principals will use their best efforts to obtain or cause to be obtained from each mortgagee or hypothecary creditor of each landlord of each Superior Leased Property whose mortgage or hypothec ranks in priority to the applicable Superior Lease an agreement not to disturb Superior's possession of that Superior Leased Property while Superior is not in default under the applicable Superior Lease. To the knowledge of the Superior Principals, all Appurtenances situated on the Superior Leased Property of the nature described in part (a) of the definition of "Appurtenances" are in good operating condition and in a state of good maintenance and repair, are adequate and suitable for the purposes for which they are currently being used. Superior has adequate rights of ingress and egress for the operation of Superior's Business in the Ordinary Course. To the knowledge of the Superior Principals, none of those Appurtenances (or any equipment therein), nor the operation or maintenance thereof, violates any restrictive covenant or any provision of any Applicable Law, or encroaches on any property owned by others. Without limiting the generality of the foregoing:

(a) to the knowledge of the Superior Principals, the Superior Leased Property, the current uses of and the conduct of the Superior Business on those properties comply with all Applicable Laws including those dealing with zoning, parking, access, loading facilities, landscaped areas, building construction, fire and public health and safety and Environmental Laws;

(b) no alteration, repair, improvement or other work has been ordered, directed or requested in writing to be done or performed to or in respect of the Superior Leased Property or to any of the plumbing, heating, elevating, water, drainage or electrical systems, fixtures or works by any Governmental Authority, which alteration, repair, improvement or other work has not been completed, and to the knowledge of the Principals, no written notification has been given to Superior of any such outstanding work being ordered, directed or requested, other than those that have been complied with and in connection with a June 2007 purchase order (with a value of approximately US$40,000) to repair, modify and/or install railway beams for crane usage;

(c) all accounts for work and services performed and materials placed or furnished on or in respect of the Superior Leased Property at the request of Superior have been fully paid and satisfied, and no Person is entitled to claim a lien or privilege under mechanic's lien law or similar law protecting the rights of mechanics, contractors, subcontractors, materialmen or suppliers against Superior or any part thereof, other than current accounts in respect of which the payment due date has not yet passed;

(d) there is nothing owing in respect of the Superior Leased Property by Superior to any municipal corporation or to any other corporation or commission owning or operating a public utility for water, gas, electrical power or energy, steam or hot water, or for the use thereof, other than current accounts in respect of which the payment due date has not yet passed;

(e) no part of the Superior Leased Property has been taken or expropriated by any competent Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced;

(f) the Permitted Encumbrances constitute all of the Encumbrances, Contracts and other matters that affect the Superior Leased Property;

(g) to the knowledge of the Principals the Superior Leased Property (including all Appurtenances of the nature described in part (a) of the definition of "Appurtenances") is free of defects (patent or latent) and is fit for its present use, and there are no Material structural repairs or replacements that are necessary or advisable and, without limiting the foregoing, there are no Material repairs to, or replacements of, the roof or the mechanical, electrical, heating, ventilating, air-conditioning, plumbing or drainage equipment or systems that are necessary or advisable; and the Superior Leased Property is not currently undergoing any Material alteration or renovation nor is any such alteration or renovation contemplated with the exception of the railway beams for crane usage described in sub-section (b) above; and

(h) the Superior Leased Property is fully serviced and has suitable access to public roads, and there are no outstanding levies, charges or fees assessed against the Superior Leased Property by any public authority (including development or improvement levies, charges or fees).

(13) <u>Title to Other Property.</u> Superior has good and marketable title to all the Superior Assets (other than the Superior Leased Property and patent licenses granted in favour of Superior by one or more of David Buck, Daniel Bangert, Mark Gravouia and Thomas Falgout and the equipment that is the subject of the Superior Personal Property Leases), free and clear of any and all Encumbrances other than the Permitted Encumbrances. Part I of Part A of Schedule 17 is a true, accurate and complete list of all locations where the Superior Assets are situated, including a brief description of such of the Superior Assets situated at each location. To the knowledge of the Principals all of the Superior Assets (other than the Superior Leased Property) used by Superior are free of defects (patent or latent), in good operating condition and in a state of good repair and maintenance.

(14) Personal Property. Part I of Schedule 17 is a true, accurate and complete list of each item of machinery, equipment, furniture, motor vehicles and other personal property owned or leased by Superior (including those in possession of third parties) which had a book value in the accounting records of Superior determined in accordance with GAAP, at the date of Superior's most recently completed financial year, of more than US$50,000 (the "**Superior Personal Property**").

(15) Personal Property Leases. Part I of Schedule 17 is a true, accurate and complete list of all equipment leases, chattel leases, rental agreements, conditional sales agreements and similar agreements relating to any of Superior's Assets (the "**Superior Personal Property Leases**") and identifies those Superior Personal Property Leases that cannot be terminated by Superior without liability at any time on less than 30 days' notice or that involve payment by it in the future of more than US$50,000. All of the Superior Personal Property Leases were entered into by Superior in the Ordinary Course. True, accurate and complete copies of all Superior Contracts set out in Schedule 17, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(16) Inventories. Except as described in Schedule 32, the Inventories of Superior do not include any items that are slow moving, below standard quality or of a quality or quantity not usable or saleable in the Ordinary Course, the value of which has not been written down on its books of account to net realizable market value. The Inventory levels of Superior have been maintained at such amounts as are required for the operation of the Superior Business as previously and currently conducted and as currently contemplated to be conducted, and such inventory levels are adequate therefor.

(17) Intellectual Property.

(a) Part I of Schedule 12 is a true, accurate and complete list of the patents and the primary trademarks, copyrights and Contracts that comprise or relate to Superior's Intellectual Property and sets out true, accurate and complete particulars of all registrations or applications for registration of Superior's Intellectual Property.

(b) The Superior Intellectual Property and the assets purchased under the IP Purchase Agreement comprised all trade marks, trade names, business names, patents, inventions, know-how, copyrights, service marks, brand names, industrial designs and all other industrial or intellectual property or licenses therefore necessary to conduct Superior's Business. Except as set out in Schedule 12, Superior is the beneficial owner or licensee of Superior's Intellectual Property, free and clear of all Encumbrances, and is not a party to or bound by any Contract or other obligation whatsoever that limits or impairs its ability to sell, transfer, assign or convey, or that otherwise affects, the Superior Intellectual Property. No Person has been granted any interest in or right to use all or any portion of the Superior Intellectual Property by Superior.

(c) Except as provided in the IP Purchase Agreement, the Superior Principals do not have any knowledge of any infringement or breach of any industrial or intellectual property rights of any other Person by Superior, have not received any notice that the conduct of Superior's Business, including the use of the Superior Intellectual Property, infringes on or breaches any industrial or intellectual property rights of any other Person and do not have any knowledge of any infringement or violation of any of their rights or the rights of Superior in the Superior Intellectual Property.

(d) True, accurate and complete copies of all of Superior's Material Contracts set out in Schedule 12, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(18) Information Technologies.

(a) Part I of Schedule 10 sets out a brief description of the Superior Information Technologies and a true, accurate and complete list of Material Contracts, including warranties, leases and licences, that comprise or relate to the Superior Information Technologies.

(b) The Superior Information Technologies adequately meet the data processing needs of Superior's Business and Superior's operations and affairs, in each case as presently conducted and as currently contemplated to be conducted. Superior has taken appropriate action by instruction, Contract or otherwise with its employees or other Persons permitted access to system application programs and data files used in the Superior Information Technologies to protect against unauthorized access, use, copying, modification, theft and destruction of those programs and files. The data processing and data storage facilities of Superior are adequate and properly protected. Superior has arranged for back-up data processing services adequate to meet its data processing needs in the event the Superior Information Technologies or any of their components is rendered temporarily or permanently inoperative as a result of a natural or other disaster.

(c) All licensed software which comprises part of the Superior Information Technologies has been delivered to Superior by the licensors thereof and includes all necessary object codes, computer programs, magnetic media and documentation which is used or required by Superior for use in the Superior Information Technologies.

(d) True, accurate and complete copies of all of Superior's Contracts set out in Schedule 10, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(19) Insurance. Part I of Schedule 11 contains a list of each insurance policy maintained by UGI and Superior with respect to its properties, assets and businesses and each such policy is in full force and effect as of the Closing. UGI and Superior are not in default with respect to its obligations under any insurance policy maintained by it, and UGI and Superior has not been denied insurance coverage in the past two years or suffered any lapse in coverage. Superior is not in default, whether as to the payment of premiums or with respect to any other Material provision contained in any Superior Insurance Policy and has not failed to give any notice or present any Claim under any Superior Insurance Policy in a due and timely fashion. To the knowledge of the Superior Principals, the insurance coverage of UGI and Superior is of a kind and type routinely carried by corporations of similar size engaged in similar lines of business. The Superior Principals currently have no reason to believe that any of the Superior Insurance Policies will not be renewed by the insurer on the scheduled expiry of the policy or will be renewed by the insurer only on the basis that there will be a Material increase in premiums payable in respect of the policy. Accurate and complete copies of the most recent inspection reports, if any, received from insurance underwriters or others as to the condition of the Superior Assets, or where those reports are oral, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(20) No Expropriation. Except as described in Schedule 31, none of the Superior Assets have been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced and notice thereof given to the Superior Principals and to the knowledge of the Superior Principals, there is not any intent or proposal to give any such notice or commence any such proceeding.

(21) Material Contracts and Other Contracts. Except as set out in Schedule 14 and except as disclosed in any other Schedule to this Agreement, Superior is not a party to or bound by:

(a) any distributor, sales, advertising, agency or manufacturer's representative or similar Contract of a Material nature;

(b) any continuing Contract for the purchase of materials, supplies, equipment or services which involves payment under that Contract of more than US$30,000 except for purchases of Inventories in the Ordinary Course of the Business on terms and conditions not more onerous than those usual and customary to the industry relating to the Superior Business;

(c) any employment or consulting Contract or any other written Contract with any officer, employee or consultant other than oral Contracts of indefinite hire terminable by the employer without cause on reasonable notice;

(d) any trust indenture, mortgage, hypothec, promissory note, debenture, loan agreement, guarantee or other Contract for the borrowing of money or a leasing transaction of the type required to be capitalized in accordance with GAAP;

(e) any Contract for charitable contributions or gifts of any of the Superior Assets, other than donations in the Ordinary Course;

(f) any Contract for capital expenditures in excess of US$50,000 in the aggregate;

(g) any Contract for the sale of any of the Superior Assets or any part of the Superior Business, other than sales of Inventories of Superior to customers in the Ordinary Course;

(h) any confidentiality, secrecy or non-disclosure Contract (whether Superior is a beneficiary or obligor thereunder) relating to any proprietary or confidential information or any non-competition or similar Contract;

(i) any Contract to which Superior is a party or by which Superior or any of the Superior Assets are bound or attached made in the Ordinary Course (other than a Contract for the sale of products of Superior) which involves or may reasonably involve the payment to or by Superior in excess of US$50,000 over the term of the Contract (a "**Material Contract**");

(j) any Contract for the sale of products of Superior to which Superior is a party in the Ordinary Course which involves or may reasonably involve the payment to or by Superior in excess of US$150,000 over the term of the Contract (a "**Material Sales Contract**");

(k) any Contract that expires, or may expire if it is not renewed or extended at the option of any Person other than Superior, more than one year after the date of this Agreement;

(l) any Contract which Materially Adversely Affects or which could Materially Adversely Affect the Superior Business or any of the Superior Assets or is or could be Materially burdensome to it; or

(m) any Contract entered into by Superior other than in the Ordinary Course;

True, accurate and complete copies of all of Superior's Contracts set out in Schedule 14, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(22) No Default Under Contracts. Superior has performed all of the Material obligations required to be performed by it and is entitled to all benefits under, and is not in Material default or alleged to be in Material default in respect of, any Contract relating to the Superior Business or the Superior Assets referred to in Part II of Part A of Schedule 14. All such Contracts are in good standing and in full force and effect, and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under any such Contract. There is no dispute between Superior and any other party under any such Contract. Except as disclosed in the Schedules to this Agreement, none of such Contracts contain terms under which the execution or performance of this Agreement would give any other contracting party the right to terminate or adversely change the terms of that Contract or otherwise require the consent of any other Person. None of those Contracts have been assigned, or if applicable subleased, in whole or in part.

(23) Permits. Schedule 15 sets out a true, accurate and complete list of Permits issued to or held by or for the benefit of Superior, and to the knowledge of the Superior Principals there are no other Permits necessary to conduct the Superior Business or to own, lease or operate any of the Assets. No such Permit contains any burdensome term, provision, condition, limitation which has or is likely to have any Material Adverse Effect on the Superior Business. Each such Permit is valid, subsisting and in good standing. Superior is not in Material default or in breach of the terms of any Permit and, to the knowledge of the Superior Principals, no Claim is pending or threatened to revoke or limit any such Permit. True, accurate and complete copies of all of Superior's Permits set out in Schedule 15 (as amended to date) have been provided to the Purchaser.

(24) Regulatory and Third Party Approvals.

(a) There is no requirement to make any filing with, give any notice to or obtain any Permit as a condition to the lawful completion of the Transactions contemplated by this Agreement or to permit Superior to conduct the Superior Business after Closing as the Superior Business is currently conducted by Superior, except for the filings, notifications and Permits described in Part I of Schedule 20 or that relate solely to the identity of the Purchaser or the nature of any business carried on by the Purchaser; and

(b) there is no requirement under any Contract relating to the Superior Business, the Superior Assets or Superior to which either a Superior Principal or Superior is a party or by which the Superior Business, the Superior Assets or Superior is bound or affected for any Approvals from any party to that Contract or from any other Person relating to the completion of the Transactions except for the Approvals described in Part I of Schedule 21.

(25) Financial Statements. Subject to the qualifications noted in the footnotes of such financial statements, the Superior Financial Statements have been prepared in accordance with GAAP consistently applied throughout the periods indicated.

(26) Books and Records. The Books and Records of Superior and UGI fairly present and disclose the financial position of Superior as at the date of this Agreement and all financial transactions of Superior and UGI have been accurately recorded in the Books and Records of Superior and UGI, as the case may be, subject to the qualifications noted in the footnotes of the Superior Financial Statements. The system of internal accounting controls is sufficient to provide reasonable assurances that transactions are executed in accordance with management's general or specific authorization and that transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets subject to the qualifications noted in the footnotes of the Superior Financial Statements.

(27) Corporate Records. The minute book of UGI contains true, accurate and complete records of all resolutions and corporate action taken by the shareholders and the board of directors relating to matters that require for the approval of same the passing of a special resolution by the shareholders of UGI. The share certificate book, register of shareholders, register of directors and officers, securities register and register of transfers of UGI in the minute book are true, accurate and complete in all Material respects. The minute book of Superior contains true, accurate and complete records of all resolutions and corporate action taken by the shareholders and the board of directors relating to matters that require for the approval of same the passing of a special resolution by the shareholders of Superior. The share certificate book, register of shareholders, register of directors and officers, securities register and register of transfers of Superior in the minute book are true, accurate and complete in all Material respects.

(28) Liabilities. Except as arising in the Ordinary Course, Superior has no liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, and is not a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to the liabilities, obligations, indebtedness or commitments (whether accrued, absolute, contingent or otherwise) of any Person except as set out in Schedule 14.

(29) Absence of Changes. Since the Financial Statements Date, Superior has carried on the Superior Business and conducted its operations and affairs only in the Ordinary Course or as otherwise disclosed to the Purchaser. Further, other than as disclosed in Schedule 31, Superior has not:

(a) made or suffered any Material Adverse Change;

(b) suffered any damage, destruction or loss (whether or not covered by insurance) Materially Adversely Affecting the Superior Assets;

(c) incurred any Material liability, obligation, indebtedness or commitment (whether accrued, absolute, contingent or otherwise, and whether due or to become due);

(d) declared, set aside or paid any bonus or any other distribution not in the Ordinary Course to any officer, employee, consultant or agent of Superior, except as referred to in Section 2.5(c);

(e) issued or sold or entered into any Contract for the issuance or sale of any shares in the capital of or securities convertible into or exercisable for shares in the capital of Superior;

(f) suffered any labour trouble or disruption, including any strike or lock out, Materially Adversely Affecting Superior;

(g) made or granted any licence, sale, assignment, transfer, disposition, pledge, mortgage, hypothec or security interest or other Encumbrance on or over any of the Superior Assets, other than sales of Inventories of Superior to customers in the Ordinary Course;

(h) made any general increase in the compensation of employees of Superior (including, any increase pursuant to any Superior Employee Plan or commitment) of any amount in excess of 20%, or any increase in excess of 20% in any such compensation or bonus payable to any officer, employee, consultant or agent thereof (having an annual salary or remuneration in excess of US$50,000) or the execution of any employment contract with any officer or employee (having an annual salary or remuneration in excess of US$50,000), or the making of any loan to, or engagement in any transaction with, any employee, officer or director of Superior;

(i) made any capital expenditures or commitments of Superior in excess of US$50,000 in the aggregate;

(j) made any forward purchase commitments in excess of the requirements of Superior for normal operating Inventories or at prices higher than the current market prices;

(k) made any forward sales commitments other than in the Ordinary Course or any failure to satisfy any accepted order for goods or services;

(l) made any change in the accounting, costing or tax practices followed by Superior;

(m) made any change in the credit terms offered to customers of or by suppliers to Superior;

(n) made any Material change in the credit terms offered to customers of or by suppliers to Superior;

(o) terminated, cancelled or modified in any Material respect or received any notice of a request for termination, cancellation or modification in any Material respect of any Material Contract or Material Sales Contract; or

(p) authorized or agreed to or otherwise committed to do any of the foregoing.

(30) <u>Taxes</u>.

(a) Each of UGI and Superior has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by it in all applicable jurisdictions for all Pre-Closing Periods. All such Tax Returns are complete and correct and disclose all Taxes required to be paid for the periods covered thereby. During the Pre-Closing Periods, neither UGI nor Superior have been required to file any Tax Returns with, and neither has never been liable to pay or remit Taxes to, any Governmental Authority outside the United States. Each of UGI and Superior has withheld and paid all Taxes and all instalments of Taxes due on or before the Closing Date. The Superior Principals have furnished to the Purchaser true, complete and accurate copies of all Tax Returns and any amendments thereto filed by each of UGI and Superior since the commencement of its third most recently completed fiscal year and all notices of assessment and reassessment and all correspondence with Governmental Authorities relating thereto.

(b) There are no audits, assessments, reassessments or other Claims in progress or, to the knowledge of the Superior Principals, threatened against either UGI or Superior, in respect of any Taxes and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any such Taxes. The Superior Principals are not aware of any contingent liability of UGI or Superior for Taxes or any grounds that could prompt an assessment or reassessment for Taxes, and neither UGI nor Superior has received any indication from any Governmental Authority that any assessment or reassessment is proposed.

(c) There are no agreements, waivers or other arrangements with any Governmental Authority providing for an extension of time or any statute of limitations with respect to the issuance of any assessment or reassessment, the filing of any Tax Return, or the payment of any Taxes by or in respect of each of UGI and Superior. Neither UGI nor Superior is a party to any agreements or undertakings with respect to Taxes.

(d) UGI (and any predecessor of UGI) has been a validly electing S corporation within the meaning of Code Sections 1361 and 1362 and for state and local income tax purposes at all times since October 1, 1998 and UGI was an S corporation up to and including July 30, 2007. Superior (and any predecessor of Superior) has been a validly electing qualified subchapter S subsidiary of UGI within the meaning of Code Sections 1361 and 1362 and for state and local income tax purposes at all times since October 1, 1998 and Superior will be an S corporation up to and including July 30, 2007.

(e) There are no Encumbrances on any of the Purchased Shares that arose in connection with any failure (or alleged failure) to pay any Tax.

(f) Each of UGI and Superior withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party.

(g) There are no federal, state, local or foreign tax liens upon any of the properties or assets of UGI, Superior or the Purchased Shares, and there are no unpaid taxes which are or could become a lien on the properties or assets of UGI, Superior or the Purchased Shares, except for current taxes not yet due and payable.

(h) Neither UGI nor Superior is a party to any Contract, plan or undertaking that has resulted or could result, separately or in the aggregate, in the payment of any change of control payment or any "excess parachute payment" within the meaning of Code Section 280G or any corresponding provision of state or local tax law.

(i) Neither UGI nor Superior has liability for Taxes of any other Person, as transferee or successor, by contract or otherwise.

(31) Litigation. Except as described in Part I of Schedule 13, there are no Claims (whether or not purportedly on behalf of each of UGI and Superior) pending or, to the knowledge of the Superior Principals, threatened against or affecting, UGI, Superior or the Superior Assets. To the knowledge of the Superior Principals there is not any factual or legal basis on which any such Claim might be commenced with any reasonable likelihood of success.

(32) Accounts and Attorneys. Part I of Schedule 1 is a true, accurate and complete list of the accounts and safety deposit boxes of each of UGI and Superior and of Persons holding general or special powers of attorney from UGI and Superior and sets out the name of each bank, trust company or

similar institution in which UGI and Superior has accounts or safety deposit boxes, the number or designation of each such account and safety deposit box and the names of all Persons authorized to draw thereon or to have access thereto.

(33) Directors and Officers. Part I of Schedule 6 is a true, accurate and complete list of the names and titles of all the officers and directors of each of UGI and Superior.

(34) Non-Arm's Length Transactions. Each of UGI and Superior has not made any payment or loan to, or borrowed any moneys from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person not dealing at arm's length with each of UGI and Superior (within the meaning of the Code), except as disclosed in the Superior Financial Statements and except for usual employee reimbursements and compensation paid in the Ordinary Course. Except for Contracts of employment, each of UGI and Superior is not a party to any Contract with any officer, director, employee, shareholder or any other Person not dealing at arm's length with UGI and Superior, as applicable (within the meaning of the Code). No officer, director or shareholder of each of UGI and Superior and no entity that is an Affiliate or Associate of one or more of those Persons:

(a) owns, directly or indirectly, any interest in (except for shares representing less than one per cent of the outstanding shares of any class or series of any publicly traded company), or is an officer, director, employee or consultant of, any Person which is, or is engaged in business as, a competitor of the Superior Business or Superior or a lessor, lessee, supplier, distributor, sales agent or customer of the Superior Business or Superior;

(b) owns, directly or indirectly, in whole or in part, any property (other than the Assets as defined in the IP Purchase Agreement) that Superior uses in the operation of the Superior Business, with the exception of the Superior Lease Agreement and the Superior Operating Equipment Lease; or

(c) has any cause of action or other Claim whatsoever against, or owes any amount to, Superior in connection with the Superior, except for any liabilities reflected in the Superior Financial Statements and Claims in the Ordinary Course, such as for accrued vacation pay and accrued benefits under the Superior Employee Plans.

(35) Environmental.

(a) Each of UGI and Superior has been and is in compliance with all Applicable Laws, including orders, directives and decisions rendered by any Governmental Authority (the "**Environmental Laws**") relating to the protection of the environment, health, occupational health and safety or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, transport or handling of any deleterious substances or good, hazardous, corrosive or toxic substances or materials, special wastes, wastes or any other substances, the use, storage, disposal, discharge, treatment, remediation or release into the environment of which is prohibited, controlled or regulated ("**Hazardous Substances**"). There are no present actions, activities, circumstances, conditions, events or incidents that are likely to prevent or interfere with compliance with Environmental Laws.

(b) UGI and Superior have obtained all Permits under Environmental Laws (the "**Environmental Permits**") required for the operation of the Superior Business, all of which are described in Part I of Schedule 15. Each Environmental Permit is valid, subsisting and in good standing and each of UGI and Superior is not in default or breach of any Environmental Permit and, to the knowledge of the Superior Principals, no proceeding is pending or threatened, to revoke or limit any Environmental Permit.

(c) Neither UGI nor Superior has received any notice or otherwise known of, nor been prosecuted for an offence alleging non-compliance with any Environmental Laws, and neither the Superior Principals, UGI nor Superior has settled any allegation of non-compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Superior Business or any of the Superior Assets, nor has Superior received notice of or otherwise knows of any of such actual, pending or threatened orders or directions.

(d) There is no claim, lawsuit or written notice by any Person alleging potential liability (including, without limitation, potential liability for investigatory costs, cleanup costs, governmental response costs, natural resource damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from (i) the presence, or Release (as hereinafter defined), of any Hazardous Substances at any location, whether or not owned or operated by UGI, Superior, of any of their Subsidiaries, or (ii) to the knowledge of the Superior Principals, circumstances forming the basis of any violation, or alleged violation, of any Environmental Law (an "Environmental Claim") pending or threatened against UGI or Superior or against any Person whose liability for any Environmental Claim UGI or Superior has or may have retained or assumed either contractually or by operation of law.

(e) There are no past or present actions, activities, events or incidents, including, without limitation, the Release or presence of any Hazardous Substances which forms the basis of any Environmental Claim against UGI or Superior, or to the knowledge of the Superior Principals, against any Person whose liability for any Environmental Claim UGI or Superior have or may have retained or assumed either contractually or by operation of law.

(f) To the knowledge of the Superior Principals there are no pending or proposed changes to Environmental Laws that would render illegal or restrict or make more costly the service provided by Superior.

(g) Neither UGI nor Superior has caused or permitted, and the Superior Principals do not have any knowledge of, the release, spill, emission, discharge, leaking, pumping, injection, deposit, disposal, dispersal, leaching or migration into the indoor or outdoor environment (including, without limitation, ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Substances through or in the air, soil, surface water, groundwater or property (a "**Release**") in any manner whatsoever, of any Hazardous Substance on or from any of UGI's or Superior's or any property or facility that UGI or Superior previously owned or leased, except in accordance with Environmental Laws, or any such release on or from a facility owned or operated by third parties but with respect to which Superior or UGI is or may reasonably be alleged to have liability. All Hazardous Substances and all other wastes and other materials and substances used in whole or in part by Superior or UGI or resulting from the Superior Business have been disposed of, treated and stored in compliance with all Environmental Laws. Part I of Schedule 8 is a true, accurate and complete list of all of the locations where Hazardous Substances used in whole or in part by UGI or Superior have been or are being stored or disposed of.

(h) Neither UGI or Superior has received any notice or is otherwise aware of any pending or threatened notice that it is potentially responsible for any clean-up or corrective action under any Environmental Laws at any site. Neither UGI or Superior has received any request for information in connection with any federal, state, municipal or local inquiries as to disposal sites.

(i) True, accurate and complete copies of all documents, including any certificates or reports, issued, filed or registered, pursuant to applicable contaminated sites legislation with respect to the Superior Business or the Superior Assets have been provided to the Purchaser.

(j) True, accurate and complete copies of all environmental audits, evaluations, assessments, studies or tests relating to UGI or Superior or to any facility or property which UGI or Superior has at any time owned, occupied, leased, managed or controlled or in which it has at any time had a legal or beneficial interest, that were commissioned by or for UGI or Superior or that are in the possession or control of UGI or Superior, have been provided to the Purchaser.

(k) Neither UGI or Superior has done anything or omitted to do anything which, in either case, constituted Material non-compliance by either of UGI or Superior with Environmental Laws, except as described in Part I of Schedule 8.

(36) Employee Plans.

(a) Part I of Schedule 7 identifies each non-salary plan, program or arrangement that constitute employee welfare benefit plans under Section 3(1) of the Employee Retirement Income Security Act of 1974 ("**ERISA**"), employee pension benefit plans under Section 3(2) of ERISA, or other employment practices or policies that are not covered by ERISA, including deferred compensation, bonus compensation, incentive or other compensation, share option or purchase, severance, termination pay, hospitalization or other medical benefit, life or other insurance, vision, dental, drug, sick leave, disability, salary continuation, vacation, supplemental unemployment benefits, profit sharing, mortgage assistance, pension or supplemental pension, retirement compensation, group registered retirement savings, deferred profit sharing, employee profit sharing, savings, retirement or supplemental retirement, and any other similar plan, program or arrangement, whether funded or unfunded, formal or informal, that is maintained, contributed to, or required to be maintained or contributed to, by Superior or UGI, or to which Superior or UGI is a party, or bound by, or under which Superior has any liability or contingent liability for the benefit of directors, officers, shareholders, consultants, independent contractors and employees or former employees of Superior, UGI and their respective dependents or beneficiaries (collectively, the "**Superior Employee Plans**").

(b) Except as disclosed in Part I of Schedule 7, there are no improvements, increases or changes to the benefits provided under the Superior Employee Plans nor is there any pattern of *ad hoc* benefit increases and the Superior Employee Plans do not provide for benefit increases or the acceleration of vesting or funding obligations that are contingent or will be triggered or become applicable by the entering into of this Agreement or the completion of the Transactions.

(c) All employee data necessary to administer the Superior Employee Plans (including the data under the categories described in Schedule 7) is (and will on Closing continue to be) in the possession of Superior and is Materially complete, correct, accurate and in a form which is sufficient for the proper administration of the Superior Employee Plans.

(d) Superior has delivered or has caused to be delivered to Purchaser true and complete copies of (A) the Superior Employee Plans (including related trust agreements, custodial agreements, insurance contracts, investment contracts and other funding arrangements, if any, and adoption agreements, if any), (B) any amendments to the Superior Employee Plans, (C) written interpretations of the Superior Employee Plans, (D) material employee communications by the plan administrator of any Superior Employee Plan (including, but not limited to, summary plan descriptions and summaries of material modifications, as defined under ERISA), (E) the three most recent annual reports (i.e., the complete Form 5500 series) prepared in connection with each Superior Employee Plan (if any such report was required), including all attachments (including without limitation the audited financial statements, if any) and (F) the three most recent actuarial valuation reports prepared in connection with each Superior Employee Plan (if any such report was required) .

(e) Each Superior Employee Plan has been maintained in compliance with its terms and the requirements prescribed by any and all Applicable Laws, including but not limited to, ERISA and the Internal Revenue Code of 1986, as amended, (the "Code"), which are applicable to such Superior Employee Plan.

(f) Each Superior Employee Plan that is an employee pension plan benefit plan under ERISA (a "Pension Plan") is "qualified" within the meaning of Section 401(a) of the Code, and has been qualified during the period from the date of its adoption to the date of this Agreement, and each trust created thereunder is tax-exempt under Section 501(a) of the Code. Superior has delivered or caused to be delivered to the Purchaser the latest determination letters of the Internal Revenue Service relating to each Pension Plan. Such determination letters have not been revoked. Furthermore, there are no pending proceedings or, to the knowledge of the Superior Principals, threatened proceedings in which the "qualified" status of any Pension Plan is at issue and in which revocation of the determination letter has been threatened. Each such Pension Plan has not been amended or operated, since the receipt of the most recent determination letter, in a manner that would adversely affect the "qualified" status of the Plan. No distributions have been made from any of the Pension Plans that would violate in any respect the restrictions under Treas. Reg. Section 1.401(a)(4)-5(b), and none will have been made by the date of Closing.

(g) There are no pending or, to the knowledge of the Superior Principals, threatened (A) claims, suits or other proceedings by any employees, former employees or plan participants or the beneficiaries, spouses or representatives of any of them, other than ordinary and usual claims for benefits by participants or beneficiaries, or (B) suits, investigations or other proceedings by any federal, state, local or other governmental agency or authority, of or against any Superior Employee Plan, the assets held thereunder, the trustee of any such assets, or Superior relating to any of the Superior Employee Plans. If any of the actions described in this subsection are initiated prior to the Closing Date, the Superior Principals shall notify Purchaser of such action prior to the date of Closing.

(37) Labour Matters.

(a) Superior has not recognized and has no obligation to recognize any labour union or association or organization that may qualify as a labour organization as the representative of any of Superior employees or the employees of any dependent contractors of Superior. Superior has not entered into and is not a party to, either directly or by operation of law, any written or oral collective agreement, memorandum of understanding, or other agreement of any kind with any labour union or association or organization that may qualify as a labour organization which would cover any employees or dependent contractors of Superior and the employees of Superior are not subject to any written or oral collective agreements, memoranda of understanding, or other agreements of any kind with any trade union or association or organization that may qualify as a trade union or association, and are not, in their capacities as employees, represented by any labour union or association or organization that may qualify as a labour organization.

(b) Superior is not currently engaged in any unfair labour practice and there is no unfair labour practice charge, investigation, proceedings or complaints pending or other employee-related or employment-related complaint against Superior or, to the knowledge of the Superior Principals, threatened, by any Governmental Authority or between Superior and any employees or one or more parties representing any of those employees before any court, employment standards branch or tribunal or human rights agency. Superior is not liable for any arrears of wages, penalties or Taxes for failure to comply with any of the foregoing.

(c) To the knowledge of the Superior Principals, there are no organizational efforts currently being made, threatened by or on behalf of, any labour union or association or organization that may qualify as a labour organization with respect to the employees of the Superior nor, to the knowledge of the Superior Principals, has any petition raising a question of representation relating to the employees been filed, or threatened to be filed, with the National Labour Relations Board. There is currently no work stoppage, labour strike, lockout slowdown, or other labour dispute pending or, to the knowledge of the Superior Principals, threatened against Superior and Superior has not experienced a work stoppage, labour strike, lock out, slowdown or other labour dispute within the past three years.

(38) Employees.

(a) Part I of Schedule 7 contains a true, accurate and complete list as at July 27, 2007 of the names of all individuals who are employees or sales or other agents or representatives of Superior specifying:

(i) with respect to the hourly employees, the rate of hourly pay, seniority and date of hire if applicable, date of termination of employment or whether or not the employee is absent for any reason including but not limited to lay off, or leave of absence, (including, but not limited to, leave under the Family and Medical Leave Act of 1993 ("FMLA"), salary, insurance or workers' compensation; and

(ii) with respect to salaried employees (whether or not the employee is absent for any reason such as lay off, leave of absence, salary, insurance or workers' compensation) and sales or other agents or representatives, the date of hire, title, rate of salary and commission structure for each such employee, agent or representative, and if applicable, date of termination of employment of whether or not the employee is absent for any reason including but not limited to lay off or leave of absence (including but not limited to leave under the FMLA).

(b) No notice has been received by Superior of any complaint filed by any of the employees against Superior instituting or threatening a proceeding or claiming that Superior has violated any federal, state or local law, regulation, ordinance or rule relating to the employment of employees of Superior to and the knowledge of Superior, Superior has compiled in all material respects with, and is currently in compliance in all material respects with, all applicable laws, rules, regulations and orders of any Governmental Authority relating to its employees and consultants (including, without limitation, all requirements prohibiting discrimination against employees and all requirements relating to compensation and health and safety of employees), and Superior has not received within the past three (3) years any written notice of failure to comply with any such law, rule, regulation or order which has not been rectified.

(c) Except as set forth on Part I of Schedule 7, Superior has on file a valid Form I-9 for each employee hired on or after November 7, 1986 and continuously employed after November 6, 1986 or the applicable date of hire. Except as set forth on Part I of Schedule 7, no employee requires an amended petition filing with U.S. Immigration or any other Governmental Authority to accept employment with Purchaser. Except as set forth on Part I of Schedule 7, to the knowledge of the Superior Principals, all employees of Superior employed in the U.S. are (i) United States citizens, or lawful permanent residents of the United States, (ii) aliens whose right to work in the United States is unrestricted, (iii) aliens who have valid, unexpired work authorization issued by the Attorney General of the United States (Immigration and Naturalization Service) or (iv) aliens who have been continually employed by Superior since November 6, 1986 or the applicable date of hire. Except as set forth on Part I of Schedule 7, Superior has not been with respect to the Superior Business the subject of an immigration compliance or employment visit from, nor has Superior been assessed any fine or penalty by, or been the subject of any order or directive of, the United States Department of Labour or the Attorney General of the United States (Immigration and Naturalization Service).

(39) Employee Accruals. All accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, pension plan premiums, accrued wages, salaries, bonuses, change of control payments and commissions and employee benefit plan payments have been reflected in the Books and Records of Superior and UGI.

(40) Customers and Suppliers. Part I of Schedule 5 lists the five largest customers (by gross revenue) and the five largest suppliers (by dollar value) of Superior (or such additional customers or suppliers of Superior which are sufficient to constitute five percent or more of total sales or purchases, as the case may be) for the calendar year ending December 31, 2006 and for the six month period ending June 30, 2007, and the aggregate amount that each customer was invoiced and each supplier was paid during that period. To the knowledge of the Superior Principals, neither Superior nor the Principals has received notice of, and there is not, any intention on the part of any such customer to cease doing business with Superior or to modify or change in any Material manner any existing arrangement with Superior for the purchase or supply of any

products or services. The relationships of Superior with each of its principal suppliers and customers are satisfactory, and there are no unresolved disputes with any such supplier or customer. No Contract with any supplier or customer contains terms under which the execution or performance of this Agreement would give the supplier or customer of Superior the right to terminate or adversely change the terms of that Contract. There has been no termination or cancellation of, and no modification or change in, Superior's business relationship with any major customer or group of major customers. Superior has no reason to believe that the benefits of any relationship with any of the major customers or suppliers of Superior will not continue after the Closing Date in substantially the same manner as prior to the date of the Agreement.

(41) Inter-Company Services. There are no Material inter-company services provided to Superior by any Affiliate of the Vendors, other than those provided in accordance with the terms of a Contract disclosed in Part I of Schedule 14.

(42) Warranties.

(a) Part I of Schedule 18 is a true, accurate and complete list of the standard terms and conditions of sale or lease for each of the services of Superior, complete and correct copies of which (containing applicable guarantee, warranty and indemnity provisions) have been furnished to the Purchaser. Except as required by Applicable Law or as set out in Schedule 18, no service rendered by or on behalf of, Superior is subject to any guarantee, warranty, or other indemnity, express or implied, beyond the listed standard terms and conditions.

(b) Except as set out in Part I of Schedule 18, Superior has no liability or obligation of any Material nature (whether known or unknown, accrued, absolute, contingent or otherwise, and whether due or to become due), whether based on strict liability, negligence, breach of warranty (express or implied), breach of contract or otherwise, in respect of any service rendered prior to the Closing by or on behalf of, Superior that (i) is not fully and adequately covered by policies of insurance or by indemnity, contribution, cost sharing or similar agreements or arrangements by or with other Persons, or (ii) is not otherwise fully and adequately reserved against as reflected in the Superior Financial Statements.

(c) Except as set out in Part I of Schedule 18, Superior has not entered into, or offered to enter into, any Contract pursuant to which Superior is or will be obliged to make any rebates, discounts, promotional allowances or similar payments or arrangements to any customer. All those obligations are reflected in the Superior Financial Statements or have been incurred after the Financial Statements Date in the Ordinary Course and details of which have been provided to the Purchaser.

(43) Personal Information Laws. No complaint relating to Superior's alleged non-compliance with any Applicable Law regarding personal information has been found by any Governmental Authority to be well-founded, no order or judgment has been made against Superior by any Governmental Authority based on any finding of non-compliance with any such Applicable Law, and no unresolved complaint or other proceeding relating to any such alleged non-compliance is now pending or, to the knowledge of the Superior Principals, threatened by or before any Governmental Authority.

(44) No Predecessors. No corporation has been merged with either UGI or Superior, by amalgamation, dissolution, arrangement or otherwise, in such a manner that either UGI or

Superior is or may become liable for any liabilities (contingent or otherwise) of any kind whatsoever of that corporation.

(45) No Finder's Fees. The Superior Principals have not taken and will not take any action that would cause the Purchaser, UGI, Superior or Precision to become liable to any Claim for a brokerage commission, finder's fee or other similar arrangement.

(46) Personal Information.

(a) The Superior Principals have obtained all authorizations, consents and waivers necessary for the Purchaser to collect, use and disclose the personal information regarding Superior's employees and consultants ("**Personal Information**") provided to the Purchaser and its Authorized Representatives pursuant to this Section (the "**Purposes**"), including all authorizations, consents and waivers required under applicable privacy legislation.

(b) The Superior Principals have not disclosed, and will not disclose, to the Purchaser more Personal Information than is necessary for the Purposes.

(c) To the knowledge of the Superior Principals, the Superior Principals' disclosure of Personal Information to the Purchaser does not contravene any Applicable Laws.

(47) Full Disclosure. Neither this Agreement or any other contract, agreement, instrument, certificate or other document required to be delivered by or otherwise to be delivered pursuant to this Agreement by the Superior Principals or by Superior or UGI nor any certificate, report, statement or other document furnished by the Superior Principals or Superior or UGI in connection with the negotiation of 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 contained herein or therein not Materially misleading. There has been no event, transaction or information that has come to the attention of the Superior Principals or Superior or UGI that has not been disclosed to the Purchaser in writing that could reasonably be expected to have a Material Adverse Effect.

**4.3 Representations and Warranties of the Vendors Relating to Precision**. Each of David A. Buck, Daniel S. Bangert, Charles L. Duhe, Jr. and Jeff Daigle (collectively, the "**Precision Principals**") represent and warrant to the Purchaser, Supco Holding Company and PDT Holding Company as follows and acknowledge that the Purchaser, Supco Holding Company and PDT Holding Company are relying on these representations and warranties in connection with its purchase of the Purchased Interests.

(1) Organization and Status. Precision is a limited liability company duly formed and organized, and is validly subsisting, under the laws of the State of Louisiana and is up-to-date in the filing of all required documents under the laws of that jurisdiction. Precision is duly registered, licensed or qualified and is in good standing and up-to-date in the filing of all corporate and similar returns, under the laws of the jurisdictions set out in Part II of Schedule 9. The jurisdictions set out in Part II of Schedule 9 are the only jurisdictions in which the nature of the Precision Business or the Precision Assets makes the registration, licensing or qualification necessary.

(2) Corporate Power of Precision. Precision has all necessary power and authority to own or lease the Precision Assets and to carry on the Precision Business as now being conducted by it.

(3) Authorized and Issued Capital. Part II of Schedule 4 sets out the authorized and issued membership interests of Precision, the names of the Persons who are shown on the securities register of Precision as the holder of any of the membership interests, the names of the Persons

who are the beneficial owners of any of the membership interests, and the number and class of membership interests held or owned, as the case may be, by each Person. All of the membership interests indicated in Part II of Schedule 4 as being issued and outstanding have been validly issued and are outstanding and were not issued in violation of the pre-emptive rights of any Person or any Contract or Applicable Law by which Precision was bound as the time of the issuance. True, accurate and complete copies of the Constating Documents (including all Contracts, arrangements and understandings set out in Schedule 4) and other organizational documents of Precision, or where those Contracts, arrangements or understandings are oral, true, accurate and complete written summaries of their Material terms, have been provided to the Purchaser.

(4) Options. No Person has any Contract or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract, including convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any issued or un-issued membership interests or other securities of Precision.

(5) Absence of Conflict. The execution, delivery and performance of this Agreement by the Precision Principals and the completion of the Transactions will not (whether after the passage of time or notice or both), result in:

(a) the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of any of its obligations, under:

(i) any Contract to which Precision is a party or by which the Precision Business or any of the Precision Assets is bound or affected;

(ii) any provision of the Constating Documents or resolutions of the board of directors (or any committee thereof) or membership holders of Precision;

(iii) any judgement, decree, order or award of any Governmental Authority having jurisdiction over Precision; or

(iv) any Approval issued to or held by, Precision or held for the benefit of or necessary to the operation of, Precision or the Precision Business.

(b) the creation or imposition of any Encumbrance over any of the Precision Assets; or

(c) the requirement of any Approval from any of its creditors.

(6) Conduct of Business. Precision has complied with, and has conducted and is conducting Precision's Business in Material compliance with, all Applicable Laws. The Precision Business is the only business operation carried on by Precision and the Precision Assets are sufficient to permit the continued operation of the Precision Business in substantially the same manner as conducted in the one year preceding the date of this Agreement. During the two year period preceding the date of this Agreement, there has not been any significant interruption of operations (being an interruption of more than five (5) Business Days) of the Precision's Business due to inadequate maintenance of any of the Precision Assets other than as described in Schedule 22.

(7) Subsidiaries. Precision does not own and does not have any Contracts of any nature to acquire, directly or indirectly, any Equity Interests in any Person and Precision does not have any Contracts to acquire by any manner whatsoever or lease any other business operations.

(8) Bankruptcy. Precision is not an insolvent Person within the meaning of any federal or state bankruptcy, insolvency, reorganization or similar laws and has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, and no petition for a receiving order has been presented in respect of it. Precision has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of Precision or any of the Precision Assets and no execution or distress has been levied on any of the Precision Assets, nor have proceedings been commenced in connection with any of the foregoing.

(9) Location of Leased Property. Precision owns no real property. Part I of Part B of Schedule 19 is a true, accurate and complete list of all real property and Appurtenances leased by Precision (the "**Precision Leased Property**"), and sets out in respect of each property, the municipal address and a true, accurate and complete legal description of that property. Precision is not the beneficial or registered owner of or the lessor or lessee of, and has not agreed to acquire or lease any real property or Appurtenances or any interest in, any real property or Appurtenances other than the Precision Leased Property. Part II of Part B Schedule 19 is a complete and accurate list of all other real property and Appurtenances, other than the Precision Leased Property, which Precision has at any time owned, occupied, leased, managed or controlled, in which it has at any time had a legal or beneficial interest, on which it has at any time conducted business or other operations or in respect of which it has been responsible for any business or operations conducted thereon, and sets out in respect of each property, the municipal address and accurate description of the nature and dates of Precision's ownership, occupation, leasing, management, control or other activity on or responsibility for, the property.

(10) Real Property Leases. Part III of Part B of Schedule 19 is a true, accurate and complete list of all leases and agreements in the nature of a lease (including all renewals, assignments and subleases and agreements to lease in respect of any real property or Appurtenances to which Precision is a party (the "**Precision Leases**")), whether as lessor or lessee. Schedule 19 sets out, in respect of the Precision Lease, the parties thereto, its dates of execution and expiry, any options to renew, the locations of the leased lands and premises and the rent payable, and identifies the Precision Leases that require the consent of the lessor on a change of control of Precision, if any such consent is necessary. Precision is not a party to, and has not agreed to enter into, any lease or agreement in the nature of a lease in respect of any real property or Appurtenances, whether as lessor or lessee, other than the Precision Leases and the Precision Lease Agreements. True, accurate and complete copies of all Contracts set out in Schedule 19, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(11) Other Real Property Matters and Leased Property Matters. Except as described in Part I of Part B of Schedule 19, Precision occupies Precision's Leased Property and has the exclusive right to use and occupy the Precision Leased Property. The Precision Principals will use their best efforts to obtain or cause to be obtained from each mortgagee or hypothecary creditor of each landlord of each Precision Leased Property whose mortgage or hypothec ranks in priority to the applicable Precision Lease an agreement not to disturb the Precision's possession of that Precision Leased Property while Precision is not in default under the applicable Precision Lease. To the knowledge of the Precision Principals, all Appurtenances situated on the Precision Leased Property of the nature described in part (a) of the definition of "Appurtenances" are in good operating condition and in a state of good maintenance and repair, are adequate and suitable for the purposes for which they are currently being used. Precision has adequate rights of ingress and egress for the operation of the Precision Business in the Ordinary Course. To the knowledge of the Precision Principals, none of those Appurtenances (or any equipment therein), nor the

operation or maintenance thereof, violates any restrictive covenant or any provision of any Applicable Law, or encroaches on any property owned by others. Without limiting the generality of the foregoing:

(a) to the knowledge of the Precision Principals, the Precision Leased Property, the current uses of and the conduct of the Precision Business on those properties comply with all Applicable Laws including those dealing with zoning, parking, access, loading facilities, landscaped areas, building construction, fire and public health and safety and Environmental Laws;

(b) no alteration, repair, improvement or other work has been ordered, directed or requested in writing to be done or performed to or in respect of the Precision Leased Property or to any of the plumbing, heating, elevating, water, drainage or electrical systems, fixtures or works by any Governmental Authority, which alteration, repair, improvement or other work has not been completed, and to the knowledge of the Principals, no written notification has been given to Precision of any such outstanding work being ordered, directed or requested, other than those that have been complied with;

(c) all accounts for work and services performed and materials placed or furnished on or in respect of the Precision Leased Property at the request of Precision have been fully paid and satisfied, and no Person is entitled to claim a lien or privilege under mechanic's lien law or similar law protecting the rights of mechanics, contractors, subcontractors, materialmen or suppliers against Superior or any part thereof, other than current accounts in respect of which the payment due date has not yet passed;

(d) there is nothing owing in respect of the Precision Leased Property by Precision to any municipal corporation or to any other corporation or commission owning or operating a public utility for water, gas, electrical power or energy, steam or hot water, or for the use thereof, other than current accounts in respect of which the payment due date has not yet passed;

(e) no part of the Precision Leased Property has been taken or expropriated by any competent Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced;

(f) the Permitted Encumbrances constitute all of the Encumbrances, Contracts and other matters that affect the Precision Leased Property;

(g) to the knowledge of the Precision Principals the Precision Leased Property (including all Appurtenances of the nature described in part (a) of the definition of "Appurtenances") is free of defects (patent or latent) and is fit for its present use, and there are no Material structural repairs or replacements that are necessary or advisable and, without limiting the foregoing, there are no Material repairs to, or replacements of, the roof or the mechanical, electrical, heating, ventilating, air-conditioning, plumbing or drainage equipment or systems that are necessary or advisable; and the Precision Leased Property is not currently undergoing any Material alteration or renovation nor is any such alteration or renovation contemplated; and

(h) the Precision Leased Property is fully serviced and has suitable access to public roads, and there are no outstanding levies, charges or fees assessed against the Precision

Leased Property by any public authority (including development or improvement levies, charges or fees).

(12) Title to Other Property. Precision has good and marketable title to all the Precision Assets (other than the Precision Leased Property, patent licenses granted in favour of Precision by Daniel Bangert and the equipment that is the subject of the Precision Personal Property Leases), free and clear of any and all Encumbrances other than the Permitted Encumbrances. Part I of Part B of Schedule 17 is a true, accurate and complete list of all locations where the Precision Assets are situated, including a brief description of such of the Precision Assets situated at each location. To the knowledge of the Precision Principals all of the Precision Assets (other than the Precision Leased Property) used by Precision are free of defects (patent or latent), in good operating condition and in a state of good repair and maintenance.

(13) Personal Property. Part II of Part B Schedule 17 is a true, accurate and complete list of each item of machinery, equipment, furniture, motor vehicles and other personal property owned or leased by Precision (including those in possession of third parties) which had a book value in the accounting records of Precision determined in accordance with GAAP, at the date of Precision's most recently completed financial year, of more than US$10,000 (the "**Precision Personal Property**").

(14) Personal Property Leases. Part I of Part B of Schedule 17 is a true, accurate and complete list of all equipment leases, chattel leases, rental agreements, conditional sales agreements and similar agreements relating to any of the Precision Assets (the "**Precision Personal Property Leases**") and identifies those Precision Personal Property Leases that cannot be terminated by Precision without liability at any time on less than 30 days' notice or that involve payment by it in the future of more than US$12,500. All of the Precision Personal Property Leases were entered into by Precision in the Ordinary Course. True, accurate and complete copies of all Precision Contracts set out in Schedule 17, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(15) Inventories. Except as described in Schedule 32, the Inventories of Precision do not include any items that are slow moving, below standard quality or of a quality or quantity not usable or saleable in the Ordinary Course, the value of which has not been written down on its books of account to net realizable market value. The Inventory levels of Precision have been maintained at such amounts as are required for the operation of the Precision Business as previously and currently conducted and as currently contemplated to be conducted, and such inventory levels are adequate therefor.

(16) Intellectual Property.

(a) Part II of Schedule 12 is a true, accurate and complete list of the patents and the primary trademarks, copyrights and Contracts that comprise or relate to Precision's Intellectual Property and sets out true, accurate and complete particulars of all registrations or applications for registration of Precision's Intellectual Property.

(b) The Precision Intellectual Property and the assets purchased under the IP Purchase Agreement comprised all trade marks, trade names, business names, patents, inventions, know-how, copyrights, service marks, brand names, industrial designs and all other industrial or intellectual property or licenses therefore necessary to conduct Precision's Business. Except as set out in Schedule 12, Precision is the beneficial owner or licensee of Precision's Intellectual Property, free and clear of all Encumbrances, and is not a party to or bound by any Contract or other obligation whatsoever that limits or impairs its ability to sell, transfer, assign or convey, or that otherwise affects, the Precision Intellectual Property. No Person has been granted any interest in or right to use all or any portion of the Precision Intellectual Property by Precision.

(c) Except as provided in the IP Purchase Agreement, the Precision Principals do not have any knowledge of any infringement or breach of any industrial or intellectual property rights of any other Person by Precision, have not received any notice that the conduct of the Precision Business, including the use of the Precision Intellectual Property, infringes on or breaches any industrial or intellectual property rights of any other Person and do not have any knowledge of any infringement or violation of any of their rights or the rights of Precision in the Precision Intellectual Property.

(d) True, accurate and complete copies of all of Precision's Material Contracts set out in Schedule 12, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(17) Information Technologies.

(a) Part II of Schedule 10 sets out a brief description of the Precision Information Technologies and a true, accurate and complete list of all Material Contracts, including warranties, leases and licences, that comprise or relate to the Information Technologies.

(b) The Precision Information Technologies adequately meet the data processing needs of the Precision Business and Precision's operations and affairs, in each case as presently conducted and as currently contemplated to be conducted. Precision has taken appropriate action by instruction, Contract or otherwise with its employees or other Persons permitted access to system application programs and data files used in the Information Technologies to protect against unauthorized access, use, copying, modification, theft and destruction of those programs and files. The data processing and data storage facilities of Precision are adequate and properly protected. Precision has arranged for back-up data processing services adequate to meet its data processing needs in the event the Information Technologies or any of their components is rendered temporarily or permanently inoperative as a result of a natural or other disaster.

(c) All licensed software which comprises part of the Precision Information Technologies has been delivered to Precision by the licensors thereof and includes all necessary object codes, computer programs, magnetic media and documentation which is used or required by Precision for use in the Precision Information Technologies.

(d) True, accurate and complete copies of all of Precision's Contracts set out in Schedule 10, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(18) Insurance. Part I of Schedule 11 contains a list of each insurance policy maintained by Precision with respect to its properties, assets and businesses and each such policy is in full force and effect as of the Closing. Precision is not in default with respect to its obligations under any insurance policy maintained by it, and Precision has not been denied insurance coverage in the past two years or suffered any lapse in coverage. Precision is not in default, whether as to the payment of premiums or with respect to any other Material provision contained in any Precision Insurance Policy and has not failed to give any notice or present any Claim under any Precision

Insurance Policy in a due and timely fashion. To the knowledge of the Precision Principals, the insurance coverage of Precision is of a kind and type routinely carried by corporations of similar size engaged in similar lines of business. The Precision Principals currently have no reason to believe that any of the Precision Insurance Policies will not be renewed by the insurer on the scheduled expiry of the policy or will be renewed by the insurer only on the basis that there will be a Material increase in premiums payable in respect of the policy. Accurate and complete copies of the most recent inspection reports, if any, received from insurance underwriters or others as to the condition of the Precision Assets, or where those reports are oral, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(19) No Expropriation. Except as described in Schedule 31, none of the Precision Assets have been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced and notice thereof given to the Precision Principals and to the knowledge of the Precision Principals, there is not any intent or proposal to give any such notice or commence any such proceeding.

(20) Material Contracts and Other Contracts. Except as set out in Schedule 14 and except as disclosed in any other Schedule to this Agreement, Precision is not a party to or bound by:

(a) any distributor, sales, advertising, agency or manufacturer's representative or similar Contract of a Material nature;

(b) any continuing Contract for the purchase of materials, supplies, equipment or services which involves payment under that Contract of more than US$25,000 except for purchases of Inventories in the Ordinary Course of the Business on terms and conditions not more onerous than those usual and customary to the industry relating to the Precision Business;

(c) any employment or consulting Contract or any other written Contract with any officer, employee or consultant other than oral Contracts of indefinite hire terminable by the employer without cause on reasonable notice;

(d) any trust indenture, mortgage, hypothec, promissory note, debenture, loan agreement, guarantee or other Contract for the borrowing of money or a leasing transaction of the type required to be capitalized in accordance with GAAP;

(e) any Contract for charitable contributions or gifts of any of the Precision Assets, other than donations in the Ordinary Course;

(f) any Contract for capital expenditures in excess of US$25,000 in the aggregate;

(g) any Contract for the sale of any of the Precision Assets or any part of the Precision Business, other than sales of Inventories of Precision to customers in the Ordinary Course;

(h) any confidentiality, secrecy or non-disclosure Contract (whether Precision is a beneficiary or obligor thereunder) relating to any proprietary or confidential information or any non-competition or similar Contract;

(i) any Contract to which Precision is a party or by which Precision or any of the Precision Assets are bound or attached made in the Ordinary Course which involves or may reasonably involve the payment to or by Precision in excess of US$50,000 over the term of the Contract (a "**Material Contract**");

(j) any Contract that expires, or may expire if it is not renewed or extended at the option of any Person other than Precision, more than one year after the date of this Agreement;

(k) any Contract which Materially Adversely Affects or which could Materially Adversely Affect the Precision Business or any of the Precision Assets or is or could be Materially burdensome to it; or

(l) any Contract entered into by Precision other than in the Ordinary Course;

True, accurate and complete copies of all of Precision's Contracts set out in Schedule 14, or where those Contracts are oral, true, accurate and complete summaries of their Material terms, have been provided to the Purchaser.

(21) No Default Under Contracts. Precision has performed all of the Material obligations required to be performed by it and is entitled to all benefits under, and is not in Material default or alleged to be in Material default in respect of, any Contract relating to the Precision Business or the Precision Assets referred to in Part II of Part A of Schedule 14. All such Contracts are in good standing and in full force and effect, and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under any such Contract. There is no dispute between Precision and any other party under any such Contract. Except as disclosed in the Schedules to this Agreement, none of such Contracts contain terms under which the execution or performance of this Agreement would give any other contracting party the right to terminate or adversely change the terms of that Contract or otherwise require the consent of any other Person. None of those Contracts have been assigned, or if applicable subleased, in whole or in part.

(22) Permits. Part II of Schedule 15 sets out a true, accurate and complete list of Permits issued to or held by or for the benefit of Precision, and to the knowledge of the Precision Principals there are no other Permits necessary to conduct the Precision Business or to own, lease or operate any of the Precision Assets. No such Permit contains any burdensome term, provision, condition, limitation which has or is likely to have any Material Adverse Effect on the Precision Business. Each such Permit is valid, subsisting and in good standing. Precision is not in Material default or in breach of the terms of any Permit and, to the knowledge of the Precision Principals, no Claim is pending or threatened to revoke or limit any such Permit. True, accurate and complete copies of all of Precision's Permits set out in Schedule 15 (as amended to date) have been provided to the Purchaser.

(23) Regulatory and Third Party Approvals.

(a) There is no requirement to make any filing with, give any notice to or obtain any Permit as a condition to the lawful completion of the Transactions contemplated by this Agreement or to permit Precision to conduct the Precision Business after Closing as the Precision Business is currently conducted by Precision, except for the filings, notifications and Permits described in Part II of Schedule 20 or that relate solely to the identity of the Purchaser or the nature of any business carried on by the Purchaser; and

(b) there is no requirement under any Contract relating to the Precision Business, the Precision Assets or Precision to which either a Precision Principal or Precision is a party or by which the Precision Business, the Precision Assets or Precision is bound or affected for any Approvals from any party to that Contract or from any other Person relating to the completion of the Transactions except for the Approvals described in Part II of Schedule 21.

(24) Financial Statements. Subject to the qualifications noted in the footnotes of such financial statements, the Precision Financial Statements have been prepared in accordance with GAAP consistently applied throughout the periods indicated.

(25) Books and Records. The Books and Records of Precision fairly present and disclose the financial position of Precision as at the date of this Agreement and all financial transactions of Precision have been accurately recorded in Precision's Books and Records subject to the qualifications noted in the footnotes of the Precision Financial Statements. The system of internal accounting controls is sufficient to provide reasonable assurances that transactions are executed in accordance with management's general or specific authorization and that transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets subject to the qualifications noted in the footnotes of the Precision Financial Statements.

(26) Corporate Records. The minute book of Precision contains true, accurate and complete records of all resolutions and corporate action taken by the members and the board of directors relating to matters that require for the approval of same the passing of a special resolution by the members of Precision. The register of members, register of directors and officers, membership register and register of transfers of Precision in the minute book are true, accurate and complete in all Material respects.

(27) Liabilities. Except as arising in the Ordinary Course, Precision has no liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, and is not a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to the liabilities, obligations, indebtedness or commitments (whether accrued, absolute, contingent or otherwise) of any Person except as set out in Schedule 14.

(28) Absence of Changes. Since the Financial Statements Date, Precision has carried on the Precision Business and conducted its operations and affairs only in the Ordinary Course or as otherwise disclosed to the Purchaser. Further, other than as disclosed in Schedule 31, Precision has not:

(a) made or suffered any Material Adverse Change;

(b) suffered any damage, destruction or loss (whether or not covered by insurance) Materially Adversely Affecting the Precision Assets;

(c) incurred any Material liability, obligation, indebtedness or commitment (whether accrued, absolute, contingent or otherwise, and whether due or to become due);

(d) declared, set aside or paid any bonus or any other distribution not in the Ordinary Course to any officer, employee, consultant or agent of Precision;

(e) issued or sold or entered into any Contract for the issuance or sale of any shares in the capital of or securities convertible into or exercisable for shares in the capital of Precision;

(f) suffered any labour trouble or disruption, including any strike or lock out, Materially Adversely Affecting Precision;

(g) made or granted any licence, sale, assignment, transfer, disposition, pledge, mortgage, hypothec or security interest or other Encumbrance on or over any of the Precision Assets, other than sales of Inventories of Precision to customers in the Ordinary Course;

(h) made any general increase in the compensation of employees of Precision (including, any increase pursuant to any Precision Employee Plan or commitment) of any amount in excess of 20%, or any increase in excess of 20% in any such compensation or bonus payable to any officer, employee, consultant or agent thereof (having an annual salary or remuneration in excess of US$50,000) or the execution of any employment contract with any officer or employee (having an annual salary or remuneration in excess of US$50,000), or the making of any loan to, or engagement in any transaction with, any employee, officer or director of Precision;

(i) made any capital expenditures or commitments of Precision in excess of US$25,000 in the aggregate;

(j) made any forward purchase commitments in excess of the requirements of Precision for normal operating Inventories or at prices higher than the current market prices;

(k) made any forward sales commitments other than in the Ordinary Course or any failure to satisfy any accepted order for goods or services;

(l) made any change in the accounting, costing or tax practices followed by Precision;

(m) made any change adopted by Precision in its depreciation or amortization policies or rates;

(n) made any Material change in the credit terms offered to customers of or by suppliers to Precision;

(o) terminated, cancelled or modified in any Material respect or received any notice of a request for termination, cancellation or modification in any Material respect of any Material Contract; or

(p) authorized or agreed to or otherwise committed to do any of the foregoing.

(29) Taxes.

(a) Precision has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by it in all applicable jurisdictions for all Pre-Closing Periods before the Closing Date. All such Tax Returns are complete and correct and disclose all Taxes required to be paid for the periods covered thereby. During the Pre-Closing Periods, Precision has never been required to file any Tax Returns with, and has never been liable to pay or remit Taxes to, any Governmental Authority outside the United States. Precision has withheld and paid all Taxes and all instalments of Taxes due on or before the Closing Date. The Precision Principals have furnished to the Purchaser true, complete and accurate copies of all Tax Returns and any amendments thereto filed by Precision since the commencement of its third most recently completed fiscal year and all notices of assessment and reassessment and all correspondence with Governmental Authorities relating thereto.

(b) Adequate provision has been made for all Taxes of Precision for all Pre-Closing Periods.

(c) There are no audits, assessments, reassessments or other Claims in progress or, to the knowledge of the Precision Principals, threatened against Precision, in respect of any Taxes and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any such Taxes. The Precision Principals are not aware of any contingent liability of Precision for Taxes or any grounds that could prompt an assessment or reassessment for Taxes, and Precision has not received any indication from any Governmental Authority that any assessment or reassessment is proposed.

(d) There are no agreements, waivers or other arrangements with any Governmental Authority providing for an extension of time or any statute of limitations with respect to the issuance of any assessment or reassessment, the filing of any Tax Return, or the payment of any Taxes by or in respect of Precision. Precision is not party to any agreements or undertakings with respect to Taxes.

(e) There are no Encumbrances on any of the Purchased Interests that arose in connection with any failure (or alleged failure) to pay any Tax.

(f) Precision withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party.

(g) There are no federal, state, local or foreign tax liens upon any of the properties or assets of Precision or the Purchased Interests, and there are no unpaid taxes which are or could become a lien on the properties or assets of Precision or the Purchased Interests, except for current taxes not yet due and payable.

(h) Precision is not a party to any Contract, plan or undertaking that has resulted or could result, separately or in the aggregate, in the payment of any change of control payment or any "excess parachute payment" within the meaning of Code Section 280G or any corresponding provision of state or local tax law.

(i) Precision has no liability for Taxes of any other Person, as transferee or successor, by contract or otherwise.

(30) Litigation. Except as described in Part II of Schedule 13, there are no Claims (whether or not purportedly on behalf of Precision) pending or, to the knowledge of the Precision Principals, threatened against or affecting, Precision and the Precision Assets. To the knowledge of the Precision Principals there is not any factual or legal basis on which any such Claim might be commenced with any reasonable likelihood of success.

(31) Accounts and Attorneys. Part II of Schedule 1 is a true, accurate and complete list of the accounts and safety deposit boxes of Precision and of Persons holding general or special powers of attorney from Precision and sets out the name of each bank, trust company or similar institution in which Precision has accounts or safety deposit boxes, the number or designation of

each such account and safety deposit box and the names of all Persons authorized to draw thereon or to have access thereto.

(32) Directors and Officers. Part II of Schedule 6 is a true, accurate and complete list of the names and titles of all the officers, directors, managers and members of Precision.

(33) Non-Arm's Length Transactions. Precision has not made any payment or loan to, or borrowed any moneys from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person not dealing at arm's length with Precision (within the meaning of the Code), except as disclosed in the Precision Financial Statements and except for usual employee reimbursements and compensation paid in the Ordinary Course. Except for Contracts of employment, Precision is not a party to any Contract with any officer, director, employee, shareholder or any other Person not dealing at arm's length with Precision, as applicable (within the meaning of the Code). No officer, director or shareholder of Precision and no entity that is an Affiliate or Associate of one or more of those Persons:

(a) owns, directly or indirectly, any interest in (except for shares representing less than one per cent of the outstanding shares of any class or series of any publicly traded company), or is an officer, director, employee or consultant of, any Person which is, or is engaged in business as, a competitor of the Precision Business or Precision or a lessor, lessee, supplier, distributor, sales agent or customer of the Precision Business or Precision;

(b) owns, directly or indirectly, in whole or in part, any property (other than the Assets as defined in the IP Purchase Agreement) that Precision uses in the operation of the Precision Business with the exception of the Precision Lease Agreement and the Precision Operating Equipment Leases; or

(c) has any cause of action or other Claim whatsoever against, or owes any amount to, Precision in connection with Precision, except for any liabilities reflected in the Precision Financial Statements and Claims in the Ordinary Course, such as for accrued vacation pay and accrued benefits under the Precision Employee Plans.

(34) Environmental.

(a) Precision has been and is in compliance with all Applicable Laws, including orders, directives and decisions rendered by any Governmental Authority (the "**Environmental Laws**") relating to the protection of the environment, health, occupational health and safety or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, transport or handling of any deleterious substances or good, hazardous, corrosive or toxic substances or materials, special wastes, wastes or any other substances, the use, storage, disposal, discharge, treatment, remediation or release into the environment of which is prohibited, controlled or regulated ("**Hazardous Substances**"). There are no present actions, activities, circumstances, conditions, events or incidents that are likely to prevent or interfere with compliance with Environmental Laws.

(b) Precision has obtained all Environmental Permits required for the operation of Precision, all of which are described in Part II of Schedule 15. Each Environmental Permit is valid, subsisting and in good standing and Precision is not in default or breach of any Environmental Permit and, to the knowledge of the Precision Principals, no proceeding is pending or threatened, to revoke or limit any Environmental Permit.

(c) Precision has never received any notice or otherwise known of, nor been prosecuted for an offence alleging non-compliance with any Environmental Laws, and neither the Precision Principals nor Precision has settled any allegation of non-compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Precision Business or any of the Precision Assets, nor has Precision received notice or otherwise knows of any of such actual, pending or threatened orders or directions.

(d) There is no claim, lawsuit or written notice by any Person alleging potential liability (including, without limitation, potential liability for investigatory costs, cleanup costs, governmental response costs, natural resource damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from (i) the presence, or Release (as hereinafter defined), of any Hazardous Substances at any location, whether or not owned or operated by Precision, or (ii) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law (an "Environmental Claim") pending or threatened against Precision or, to the knowledge of the Precision Principals, against any Person whose liability for any Environmental Claim Precision has or may have retained or assumed either contractually or by operation of law.

(e) There are no past or present actions, activities, events or incidents, including, without limitation, the Release or presence of any Hazardous Substances which forms the basis of any Environmental Claim against Precision, or, to the knowledge of the Precision Principals, against any Person whose liability for any Environmental Claim Precision has or may have retained or assumed either contractually or by operation of law.

(f) To the knowledge of the Precision Principals there are no pending or proposed changes to Environmental Laws that would render illegal or restrict or make more costly the service provided by Precision.

(g) Precision has not caused or permitted, and the Precision Principals do not have any knowledge of, the release, spill, emission, discharge, leaking, pumping, injection, deposit, disposal, dispersal, leaching or migration into the indoor or outdoor environment (including, without limitation, ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Substances through or in the air, soil, surface water, groundwater or property (a "**Release**") in any manner whatsoever, of any Hazardous Substance on or from any of Precision' or any property or facility that Precision previously owned or leased, except in accordance with Environmental Laws, or any such release on or from a facility owned or operated by third parties but with respect to which Precision is or may reasonably be alleged to have liability. All Hazardous Substances and all other wastes and other materials and substances used in whole or in part by Precision or resulting from the Precision Business have been disposed of, treated and stored in compliance with all Environmental Laws. Part I of Schedule 8 is a true, accurate and complete list of all of the locations where Hazardous Substances used in whole or in part by Precision have been or are being stored or disposed of.

(h) Precision has not received any notices or is otherwise aware of any pending or threatened notice that it is potentially responsible for any clean-up or corrective action under any Environmental Laws at any site. Precision has not received any request for information in connection with any federal, state, municipal or local inquiries as to disposal sites.

(i) True, accurate and complete copies of all documents, including any certificates or reports, issued, filed or registered, pursuant to applicable contaminated sites legislation with respect to the Precision Business or the Precision Assets have been provided to the Purchaser.

(j) True, accurate and complete copies of all environmental audits, evaluations, assessments, studies or tests relating to Superior or to any facility or property which Superior has at any time owned, occupied, leased, managed or controlled or in which it has at any time had a legal or beneficial interest, that were commissioned by or for Superior or that are in the possession or control of Superior, have been provided to the Purchaser.

(k) Precision has not done anything or omitted to do anything which, in either case, constituted Material non-compliance by Precision with Environmental Laws, except as described in Part II of Schedule 8.

(35) Employee Plans.

(a) Part I of Schedule 7 identifies each non-salary plan, program or arrangement that constitute employee welfare benefit plans under Section 3(1) of ERISA, employee pension benefit plans under Section 3(2) of ERISA, or other employment practices or policies that are not covered by ERISA, including deferred compensation, bonus compensation, incentive or other compensation, share option or purchase, severance, termination pay, hospitalization or other medical benefit, life or other insurance, vision, dental, drug, sick leave, disability, salary continuation, vacation, supplemental unemployment benefits, profit sharing, mortgage assistance, pension or supplemental pension, retirement compensation, group registered retirement savings, deferred profit sharing, employee profit sharing, savings, retirement or supplemental retirement, and any other similar plan, program or arrangement, whether funded or unfunded, formal or informal, that is maintained, contributed to, or required to be maintained or contributed to, by Precision, or to which Precision is a party, or bound by, or under which Precision has any liability or contingent liability for the benefit of directors, officers, shareholders, consultants, independent contractors and employees or former employees of Precision and their dependents or beneficiaries (the "**Precision Employee Plans**").

(b) Except as disclosed in Part I of Schedule 7, there are no improvements, increases or changes to the benefits provided under the Precision Employee Plans nor is there any pattern of *ad hoc* benefit increases and the Precision Employee Plans do not provide for benefit increases or the acceleration of vesting or funding obligations that are contingent or will be triggered or become applicable by the entering into of this Agreement or the completion of the Transactions.

(c) All employee data necessary to administer the Precision Employee Plans (including the data under the categories described in Schedule 7) is (and will on Closing continue to be) in the possession of Precision and is Materially complete, correct, accurate and in a form which is sufficient for the proper administration of the Precision Employee Plans.

(d) Precision has delivered or has caused to be delivered to Purchaser true and complete copies of (A) the Precision Employee Plans (including related trust agreements, custodial agreements, insurance contracts, investment contracts and other funding arrangements, if any, and adoption agreements, if any), (B) any amendments to the Precision Employee Plans, (C) written interpretations of the Precision Employee Plans,

(D) material employee communications by the plan administrator of any Precision Employee Plan (including, but not limited to, summary plan descriptions and summaries of material modifications, as defined under ERISA), (E) the three most recent annual reports (i.e., the complete Form 5500 series) prepared in connection with each Precision Employee Plan (if any such report was required), including all attachments (including without limitation the audited financial statements, if any) and (F) the three most recent actuarial valuation reports prepared in connection with each Precision Employee Plan (if any such report was required) .

(e) Each Precision Employee Plan has been maintained in compliance with its terms and the requirements prescribed by any and all Applicable Laws, including but not limited to, ERISA and the Code, which are applicable to such Precision Employee Plan.

(f) Each Precision Employee Plan that is an employee pension plan benefit plan under ERISA (a "Pension Plan") is "qualified" within the meaning of Section 401(a) of the Code, and has been qualified during the period from the date of its adoption to the date of this Agreement, and each trust created thereunder is tax-exempt under Section 501(a) of the Code. Precision has delivered or caused to be delivered to the Purchaser the latest determination letters of the Internal Revenue Service relating to each Pension Plan. Such determination letters have not been revoked. Furthermore, there are no pending proceedings or, to the knowledge of the Precision Principals, threatened proceedings in which the "qualified" status of any Pension Plan is at issue and in which revocation of the determination letter has been threatened. Each such Pension Plan has not been amended or operated, since the receipt of the most recent determination letter, in a manner that would adversely affect the "qualified" status of the Plan. No distributions have been made from any of the Pension Plans that would violate in any respect the restrictions under Treas. Reg. Section 1.40l(a)(4)-5(b), and none will have been made by the date of Closing.

(g) There are no pending or, to the knowledge of Precision or the Precision Principals, threatened (A) claims, suits or other proceedings by any employees, former employees or plan participants or the beneficiaries, spouses or representatives of any of them, other than ordinary and usual claims for benefits by participants or beneficiaries, or (B) suits, investigations or other proceedings by any federal, state, local or other governmental agency or authority, of or against any Precision Employee Plan, the assets held thereunder, the trustee of any such assets, or Precision relating to any of the Precision Employee Plans. If any of the actions described in this subsection are initiated prior to the Closing Date, the Precision Principals shall notify Purchaser of such action prior to the date of Closing.

(36) Labour Matters.

(a) Precision has not recognized and has no obligation to recognize any labour union or association or organization that may qualify as a labour organization as the representative of any of Precision employees or the employees of any dependent contractors of Precision. Precision has not entered into and is not a party to, either directly or by operation of law, any written or oral collective agreement, memorandum of understanding, or other agreement of any kind with any labour union or association or organization that may qualify as a labour organization which would cover any employees or dependent contractors of Precision and the employees of Precision are not subject to any written or oral collective agreements, memoranda of understanding, or other agreements of any kind with any trade union or association or organization that may qualify as a trade union or association, and are not, in their capacities as employees, represented by any labour union or association or organization that may qualify as a labour organization.

(b) Precision is not currently engaged in any unfair labour practice and there is no unfair labour practice charge, investigation, proceedings or complaints pending or other employee-related or employment-related complaint against Precision or, to the knowledge of the Precision Principals, threatened, by any Governmental Authority or between Precision and any employees or one or more parties representing any of those employees before any court, employment standards branch or tribunal or human rights agency. Precision is not liable for any arrears of wages, penalties or Taxes for failure to comply with any of the foregoing.

(c) To the knowledge of the Precision Principals, there are no organizational efforts currently being made, threatened by or on behalf of, any labour union or association or organization that may qualify as a labour organization with respect to the employees of the Precision nor, to the knowledge of the Precision Principals, has any petition raising a question of representation relating to the employees been filed, or threatened to be filed, with the National Labour Relations Board. There is currently no work stoppage, labour strike, lockout slowdown, or other labour dispute pending or, to the knowledge of the Precision Principals, threatened against Precision and Precision has not experienced a work stoppage, labour strike, lock out, slowdown or other labour dispute within the past three years.

(37) Employees.

(a) Part I of Schedule 7 contains a true, accurate and complete list as at July 27, 2007 of the names of all individuals who are employees or sales or other agents or representatives of Precision specifying:

(i) with respect to the hourly employees, the rate of hourly pay, seniority and date of hire if applicable, date of termination of employment or whether or not the employee is absent for any reason including but not limited to lay off, or leave of absence, (including, but not limited to, leave under the Family and Medical Leave Act of 1993 ("FMLA"), salary, insurance or workers' compensation; and

(ii) with respect to salaried employees (whether or not the employee is absent for any reason such as lay off, leave of absence, salary, insurance or workers' compensation) and sales or other agents or representatives, the date of hire, title, rate of salary and commission structure for each such employee, agent or representative, and if applicable, date of termination of employment of whether or not the employee is absent for any reason including but not limited to lay off or leave of absence (including but not limited to leave under the FMLA).

(b) No notice has been received by Precision of any complaint filed by any of the employees against Precision instituting or threatening a proceeding or claiming that Precision has violated any federal, state or local law, regulation, ordinance or rule relating to the employment of employees of Precision to and the knowledge of the Precision Principals, Precision has compiled in all material respects with, and is currently in compliance in all material respects with, all applicable laws, rules, regulations and orders of any Governmental Authority relating to its employees and consultants (including, without limitation, all requirements prohibiting discrimination against employees and all requirements relating to compensation and health and safety of employees), and Precision has not received within the past three (3) years any written notice of failure to comply with any such law, rule, regulation or order which has not been rectified.

(c) Except as set forth on Part I of Schedule 7, Precision has on file a valid Form I-9 for each employee hired on or after November 7, 1986 and continuously employed after November 6, 1986 or the applicable date of hire. Except as set forth on Part I of Schedule 7, no employee requires an amended petition filing with U.S. Immigration or any other Governmental Authority to accept employment with Purchaser. Except as set forth on Part I of Schedule 7, to the knowledge of the Precision Principals, all employees of Precision employed in the U.S. are (i) United States citizens, or lawful permanent residents of the United States, (ii) aliens whose right to work in the United States is unrestricted, (iii) aliens who have valid, unexpired work authorization issued by the Attorney General of the United States (Immigration and Naturalization Service) or (iv) aliens who have been continually employed by Precision since November 6, 1986 or the applicable date of hire. Except as set forth on Part I of Schedule 7, Precision has not been with respect to the Precision Business the subject of an immigration compliance or employment visit from, nor has Precision been assessed any fine or penalty by, or been the subject of any order or directive of, the United States Department of Labour or the Attorney General of the United States (Immigration and Naturalization Service).

(38) Employee Accruals. All accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, pension plan premiums, accrued wages, salaries, bonuses, change of control payments and commissions and employee benefit plan payments have been reflected in the Books and Records of Precision.

(39) Customers and Suppliers. Part II of Schedule 5 lists the five largest customers (by gross revenue) and the five largest suppliers (by dollar value) of Precision (or such additional customers or suppliers of Precision which are sufficient to constitute five percent or more of total sales or purchases, as the case may be) for the calendar year ending December 31, 2006 and for the six month period ending June 30, 2007, and the aggregate amount that each customer was invoiced and each supplier was paid during that period. To the knowledge of the Precision Principals, neither Precision nor the Precision Principals has received notice of, and there is not, any intention on the part of any such customer to cease doing business with Precision or to modify or change in any Material manner any existing arrangement with Precision for the purchase or supply of any products or services. The relationships of Precision with each of its principal suppliers and customers are satisfactory, and there are no unresolved disputes with any such supplier or customer. No Contract with any supplier or customer contains terms under which the execution or performance of this Agreement would give the supplier or customer of Precision the right to terminate or adversely change the terms of that Contract. There has been no termination or cancellation of, and no modification or change in, Precision's business relationship with any major customer or group of major customers. Precision has no reason to believe that the benefits of any relationship with any of the major customers or suppliers of Precision will not continue after the Closing Date in substantially the same manner as prior to the date of the Agreement.

(40) Inter-Company Services. There are no Material inter-company services provided to Precision by any Affiliate of the Vendors, other than those provided in accordance with the terms of a Contract disclosed in Part II of Schedule 14.

(41) Warranties.

(a) Part II of Schedule 18 is a true, accurate and complete list of the standard terms and conditions of sale or lease for each of the services of Precision, complete and correct copies of which (containing applicable guarantee, warranty and indemnity provisions) have been furnished to the Purchaser. Except as required by Applicable Law or as set out in Schedule 18, no service rendered by or on behalf of, Precision is subject to any guarantee, warranty, or other indemnity, express or implied, beyond the listed standard terms and conditions.

(b) Except as set out in Part II of Schedule 18, Precision has no liability or obligation of any Material nature (whether known or unknown, accrued, absolute, contingent or otherwise, and whether due or to become due), whether based on strict liability, negligence, breach of warranty (express or implied), breach of contract or otherwise, in respect of any service rendered prior to the Closing by or on behalf of, Precision that (i) is not fully and adequately covered by policies of insurance or by indemnity, contribution, cost sharing or similar agreements or arrangements by or with other Persons, or (ii) is not otherwise fully and adequately reserved against as reflected in the Precision Financial Statements.

(c) Except as set out in Part II of Schedule 18, Precision has not entered into, or offered to enter into, any Contract pursuant to which Precision is or will be obliged to make any rebates, discounts, promotional allowances or similar payments or arrangements to any customer. All those obligations are reflected in the Precision Financial Statements or have been incurred after the Financial Statements Date in the Ordinary Course and details of which have been provided to the Purchaser.

(42) Personal Information Laws. No complaint relating to Precision's alleged non-compliance with any Applicable Law regarding personal information has been found by any Governmental Authority to be well-founded, no order or judgment has been made against Precision by any Governmental Authority based on any finding of non-compliance with any such Applicable Law, and, no unresolved complaint or other proceeding relating to any such alleged non-compliance is now pending or, to the knowledge of the Precision Principals, threatened by or before any Governmental Authority.

(43) No Predecessors. No corporation has been merged with Precision, by amalgamation, dissolution, arrangement or otherwise, in such a manner that Precision is or may become liable for any liabilities (contingent or otherwise) of any kind whatsoever of that corporation.

(44) No Finder's Fees. The Precision Principals have not taken and will not take any action that would cause the Purchaser or Precision to become liable to any Claim for a brokerage commission, finder's fee or other similar arrangement.

(45) Personal Information.

(a) The Precision Principals have obtained all authorizations, consents and waivers necessary for the Purchaser to collect, use and disclose the personal information regarding Precision's employees and consultants (**"Precision's Personal Information"**) provided to the Purchaser and its Authorized Representatives pursuant to this Section (the **"Precision's Purposes"**), including all authorizations, consents and waivers required under applicable privacy legislation.

(b) The Precision Principals have not disclosed, and will not disclose, to the Purchaser more Precision's Personal Information than is necessary for the Precision's Purposes.

(c) To the knowledge of the Superior Principals, the Precision Principals' disclosure of Precision's Personal Information to the Purchaser does not contravene any Applicable Laws.

(46) Full Disclosure. Neither this Agreement or any other contract, agreement, instrument, certificate or other document required to be delivered by or otherwise to be delivered pursuant to this Agreement by the Precision Principals or by Precision nor any certificate, report, statement or other document furnished by the Precision Principals or Precision in connection with the negotiation of 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 contained herein or therein not Materially misleading. There has been no event, transaction or information that has come to the attention of the Precision Principals or Precision that has not been disclosed to the Purchaser in writing that could reasonably be expected to have a Material Adverse Effect.

**4.4 Representations and Warranties of the Purchaser**. The Purchaser represents and warrants to the Vendors as follows and acknowledges that the Vendors are relying on these representations and warranties in connection with the sale by the Vendors of their respective Vendors' Shares and Vendors' Interests:

(1) Organization and Corporate Power. The Purchaser is a corporation duly incorporated and organized, and is validly subsisting, under the laws of Alberta and is up-to-date in the filing of all corporate and similar returns under the laws of that jurisdiction. The Purchaser and its subsidiaries are duly registered, licensed or qualified as an extra-provincial or foreign corporation, are in good standing and up-to-date in the filing of all corporate and similar returns, under the laws of the jurisdictions where they are required by Applicable Law to be registered. Alberta and British Columbia are the only jurisdictions in which the nature of the business or the assets of the Purchaser and its subsidiaries makes the registration, licensing or qualification necessary. The Purchaser has all necessary corporate power and authority to acquire the Purchased Shares and Purchased Interests, to enter into this Agreement and to perform its obligations hereunder.

(2) Authorization. All necessary corporate action has been taken by or on the part of the Purchaser to authorize its execution and delivery of this Agreement and the contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its obligations hereunder and thereunder.

(3) Execution. This Agreement has been duly executed and delivered by the Purchaser. Each of the contracts, agreements and instruments required by this Agreement to be delivered by the Purchaser will at the Closing Time have been duly executed and delivered by it.

(4) Bankruptcy. The Purchaser is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) and has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, and no petition for a receiving order has been presented in respect of it. The Purchaser has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of it or any of its undertakings, property or assets and no execution or distress has been levied on any of its undertakings,

property or assets, nor have any proceedings been commenced in connection with any of the foregoing.

(5) Consents and Approvals. Except as set out in Schedule 20, there is no requirement for the Purchaser to make any filing with or give any notice to any Governmental Authority or to obtain any Permit, as a condition to the lawful completion of the Transactions.

(6) Absence of Conflict. The execution, delivery and performance by the Purchaser of this Agreement and the completion of the Transactions will not (whether after the passage of time or notice or both), result in:

(a) the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of any of its obligation, under:

(i) any Contract to which it is a party or by which any of its undertakings, property or assets is bound or affected;

(ii) any provision of its Constating Documents or resolutions of its board of directors (or any committee thereof) or shareholders;

(iii) any judgment, decree, order or award of any Governmental Authority having jurisdiction over the Purchaser; or

(iv) any Approval issued to, held by or for the benefit of, the Purchaser.

(b) the requirement for any Approval from any creditor of the Purchaser.

(7) No Finder's Fees. The Purchaser has not taken, and will not take, any action that would cause the Vendors to become liable to any Claim for a brokerage commission, finder's fee or other similar arrangement.

(8) Litigation. There are no Claims (whether or not purportedly on its behalf) pending or outstanding or, to its knowledge, threatened against it which could materially adversely affect the Purchaser's common shares, its undertaking or assets or its ability to perform its obligations under this Agreement. To its knowledge, there is not any factual or legal basis on which any such Claim might be commenced with any reasonable likelihood of success.

(9) Conduct of Business. The Purchaser has complied with, and has conducted and is conducting its business in material compliance with, all Applicable Laws.

(10) Undisclosed Liabilities. The Purchaser has no material liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, and is not a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to the liabilities, obligations, indebtedness or commitments (whether accrued, absolute, contingent or otherwise) of any Person, that are material to the Purchaser and that are not disclosed in its audited financial statements for the year ended December 31, 2006, its interim financial statements for the quarter ended March 31, 2007, or its SEDAR filings other than (i) liabilities, obligations, indebtedness and commitments in respect of trade or business obligations incurred after March 31, 2007 in the Ordinary Course, that do not exceed US$50,000 in the aggregate and that do not have a material adverse effect on the Purchaser's business or the Purchaser or (ii) indebtedness which the Purchaser may incur to, in part, fund the cash portion of the Purchase Price.

(11) Absence of Changes. Except as set out in the Purchaser's SEDAR filings, since December 31, 2006, the Purchaser has carried on its business and conducted its operations and affairs only in the Ordinary Course and the Purchaser has not:

(a) made or suffered any material adverse change;

(b) suffered any material damage, destruction or loss (whether or not covered by insurance) affecting its Assets;

(c) terminated, cancelled or modified in any material respect or received any notice of a request for termination, cancellation or modification in any material respect of any material Contract; or

(d) authorized or agreed to or otherwise committed to do any of the foregoing.

**4.5 Survival of Representations, Warranties and Covenants of the Vendors**

(1) The representations and warranties of the Vendors contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, shall survive Closing and shall continue for the benefit of the Purchaser, Supco Holding Company and PDT Holding Company for but not beyond the applicable limitation period set forth below, notwithstanding the Closing, any investigation made by or on behalf of the Purchaser, Supco Holding Company and PDT Holding Company or any knowledge of the Purchaser, Supco Holding Company and PDT Holding Company, except that:

(a) the representations and warranties set out in Sections 4.1(1), 4.1(2), 4.1(3), 4.1(5), 4.1(6) and 4.2(1) (insofar as it relates to the due incorporation, formation and organization and the valid existence of UGI and Superior), and 4.3(1) (insofar as it relates to the due formation and organization and the valid existence of Precision) 4.2(2), 4.2(3), 4.2(5) 4.2(9), 4.3(2), 4.3(3), 4.3(4) and 4.3(8) shall survive Closing subject only to applicable limitation periods imposed by Applicable Law;

(b) the representations and warranties set out in Sections 4.2(30), 4.2(36), 4.3(29) and 4.3(35) (insofar as all such Sections relate to income Tax matters) shall survive Closing and continue in full force and effect and shall continue for the benefit of the Purchaser for the applicable limitation period notwithstanding the Closing, plus 30 days following the expiration of such period, if any, during which an assessment or other form of recognized document assessing liability for Taxes under applicable Tax legislation in respect of any taxation year to which those representations and warranties extend could be issued under that Tax legislation to the Companies, provided the Companies did not file any waiver or other document extending that period;

(c) the representations and warranties set out in Section 4.2(35) and 4.3(34) shall survive Closing and continue in full force and effect until, but not beyond, the third anniversary of the Closing Date;

(d) the representations and warranties set out in Section 4.2(36) and 4.3 (35) as such sections relate to all matters other than income Tax matters in connection with the Superior 401(k) Profit Sharing Plan shall survive Closing and continue in full force and effect until, but not beyond, the second anniversary of the Closing Date; and

(e) the remainder of the representations and warranties set out in Sections 4.1, 4.2 and 4.3 shall survive Closing and continue in full force and effect until, but not beyond, the first anniversary of the Closing Date.

(2) The covenants and other obligations (other than the representations and warranties provided under Sections 4.1 and 4.2) of the Vendors contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, to the extent that they have not been full performed at or prior to the Closing Time, shall survive Closing and shall continue for the benefit of the Purchaser for the applicable limitation period imposed by Applicable Law notwithstanding Closing.

(3) Notwithstanding Section 4.5(1), a Claim for any breach of any of the representations and warranties contained in this Agreement or in any contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud or fraudulent misrepresentations may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

**4.6 Survival of the Representations, Warranties and Covenants of the Purchaser**

(1) The representations and warranties of the Purchaser contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, shall survive Closing and shall continue for the benefit of the Vendors for but not beyond the applicable limitation period set forth below, notwithstanding the Closing, any investigation made by or on behalf of the Vendors, except that:

(a) the representations and warranties of the Purchaser set out in Sections 4.4(1 through 6) shall survive Closing and shall continue for the benefit of the Vendors for the applicable limitation period imposed by Applicable Law notwithstanding Closing, except that the representations and warranties shall survive Closing subject only to applicable limitation periods imposed by Applicable Law; and

(b) the representations and warranties of the Purchaser set out in Sections 4.4(7 through 11) shall survive Closing and shall continue for the benefit of the Vendors for the applicable limitation period imposed by Applicable Law notwithstanding Closing, except that the representations and warranties shall survive Closing and continue in full force and effect until, but not beyond, the first anniversary of the Closing Date.

(2) The covenants and other obligations (other than the representations and warranties provided under Section 4.3) of the Purchaser, Supco Holding Company and PDT Holding Company contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, to the extent that they have not been fully performed at or prior to the Closing Time, shall survive Closing and shall continue for the benefit of the Vendors for the applicable limitation period imposed by Applicable Law notwithstanding Closing.

(3) Notwithstanding Section 4.6(1), a Claim for any breach of any of the representations and warranties contained in this Agreement or in any contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud or fraudulent misrepresentations may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

4.7 **Termination of Liability**. After the times referred to in Sections 4.5 and 4.6 (as applicable), no Party shall have any liability or obligations to the other Party in respect of any inaccuracy in or breach of any representation or warranty contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, except for any Claim in respect of which the other Party has provided notice to the Party making that representation and warranty in accordance with Section 7.7 prior to the expiry of those time limits, and in that event, only on the terms and conditions of and to the extent provided for in Section 6.4 and Article 7.

## ARTICLE 5
## COVENANTS

5.1 **Interim Financial Statements** After the Closing Date, at the Purchaser's expense, the Interim Financial Statements shall be prepared and audited by the Purchaser's Auditors. Each of Purchaser and the Vendors shall use their reasonable efforts to ensure that the Interim Financial Statements are released and issued to all Parties and to the Purchaser's Counsel and the Vendors' Counsel within 60 Business Days after the Closing Date. The Vendors agree to provide access to all books and records of the Companies in order to prepare and complete the Interim Financial Statements and shall cooperate with the Purchaser and render all necessary assistance required by the Purchaser in connection with the preparation of the Interim Financial Statements. Any disputes arising in connection with the preparation of the Interim Financial Statements that is not resolved by the Parties shall be referred to binding arbitration in accordance with Section 8.12.

5.2 **Transfer of Documentation.**

(1) Except as otherwise provided in Section 3.2, on the Closing Date, the Vendors shall deliver, and shall cause to be delivered, to the Purchaser or make available to it at the premises of Superior the Books and Records of the Companies and all documents (or copies thereof) and other data, technical or otherwise, which are owned by any of the Vendors at the Closing Date, relating to the Companies, the Business or the Assets. The Purchaser shall preserve all such documents delivered to it in accordance with the Purchaser's document retention procedures, or such longer period as is required by Applicable Law, and shall permit the Vendors or their respective authorized Representatives reasonable access thereto while those documents are in the possession or control of the Purchaser solely to the extent that such access is required by the Vendors to perform their respective obligations under this Agreement or under Applicable Law but the Purchaser shall not be responsible or liable to the Vendors for, or as a result of any loss or destruction of or damage to, any such documents and other data unless such destruction, loss or damage is caused by the Purchaser's negligence or wilful misconduct. All reasonable out-of-pocket costs and expenses in connection with any access contemplated by this Section 5.2(1) shall be borne by the Party seeking access.

(2) Notwithstanding Section 5.2(1), the Vendors shall be entitled to retain copies of any documents or other data delivered to the Purchaser pursuant to Section 5.2(1) provided that those documents or data are reasonably required by the Vendors to perform their obligations hereunder or under Applicable Law. The Vendors shall retain any documents or data which relate to the Business and which is retained by the Vendors pursuant to this Section 5.2(2) in confidence and shall not use or otherwise disclose the data or information contained therein except as permitted by Section 8.1(3) and to their respective authorized Representatives and shall be returned by the Vendors to the Companies upon request.

**5.3 Regulatory Approvals.**

(1) The Vendors shall co-operate, and shall cause the Companies to co-operate, with the Purchaser and render all necessary assistance required by the Purchaser in connection with any application, notification or filing of the Purchaser to or with the Exchange.

(2) The Vendors shall use their best efforts to obtain or cause the Companies to obtain, at or prior to the Closing Time, from all appropriate Governmental Authorities, the other Approvals described in Schedule 20.

(3) The Purchaser shall complete filing with the Exchange regarding the Transactions within the prescribed time periods.

## ARTICLE 6
## TAX MATTERS

6.1 **Preparation and Filing of Tax Returns**. The Vendors shall cause all income and capital Tax Returns of each Company that relate to Pre-Closing Periods and are not due for filing until after the Closing Date to be prepared and submitted to the Purchaser for approval at least 30 Business Days before the filing due-date thereof. The Purchaser shall provide the Vendors access to such Books and Records of the Companies relating to the Pre-Closing Periods as the Vendors reasonably requests for purposes of preparing those Tax Returns. After approving those Tax Returns the Purchaser shall on a timely basis cause the Companies to file the Tax Returns.

6.2 **Books and Records Relating to Taxes**. Within thirty (30) Business Days after the receipt of the Interim Financial Statements by the Vendors, the Vendors shall deliver to the Purchaser the copies of all documents relating to Taxes of each Company in respect of the Pre-Closing Periods that the Vendors retained pursuant to Section 5.2(2) and all working papers, correspondence and other documents prepared after the Closing Date which relate to Taxes for all Pre-Closing Periods.

6.3 **Notification Requirements**. The Purchaser shall promptly forward to the Vendors all written notifications and other written communications from any Governmental Authority received by the Purchaser, Supco Holding Company and PDT Holding Company or a Company relating to Taxes of the Company for all Pre-Closing Periods, and shall promptly inform the Vendors of any audit proposed to be undertaken and any adjustment proposed in writing to be made by any Governmental Authority in respect of a Pre-Closing Period. Notwithstanding the obligation of the Purchaser to give prompt notice as required above, the failure of the Purchaser to give that prompt notice shall not relieve the Vendors of their respective obligations under this Article 6 except to the extent (if any) that the Vendors shall have been prejudiced thereby.

6.4 **Vendors Indemnification**. From and after the Closing Date, the Vendors shall on a pro rata basis to their respective Purchase Price percentage due to them shall indemnify and save harmless the Purchaser, Supco Holding Company and PDT Holding Company from all Losses suffered or incurred by the Purchaser or the Companies attributable to any inaccuracy in, or breach of, a representation and warranty made in Sections 4.2(30), 4.2(36), 4.3(29), 4.3(35) (insofar as all such Sections relate to income Tax matters) and the Vendors shall be responsible for and shall indemnify and save harmless the Purchaser, Supco Holding Company and PDT Holding Company for all income Taxes payable by the Vendors and the Companies for all Pre-Closing Periods, and for any Tax imposed with respect to the transactions contemplated hereby, and any transactions among the Vendors in contemplation of or in connection with the transactions contemplated hereby, except to the extent to which those Taxes have been provided for in the Financial Statements. Notwithstanding Section 7.4, the right to indemnification under this Article 6, shall, in no event, exceed a maximum amount equal to US$27,000,000.

**6.5 Purchaser's Contest Rights**. Subject to Section 6.9, the Purchaser, Supco Holding Company and PDT Holding Company shall have the right to control, defend, settle, compromise, or prosecute in any manner an audit, examination, investigation, and other proceeding with respect to any Tax Return of each Company. The Purchaser shall keep the Vendors duly informed of any proceedings in connection with any matter for which the Purchaser may have a right to indemnification pursuant to this Article 6 and promptly provide the Vendors with copies of all correspondence and documents relating to those proceedings. The Vendors shall execute or cause to be executed such documents and shall take such action as reasonably requested by the Purchaser to enable the Purchaser to take any action the Purchaser deems appropriate with respect to any proceedings in respect of which the Purchaser, Supco Holding Company or PDT Holding Company has contest rights under this Agreement.

**6.6 Termination of Subchapter S Election**. As of July 30, 2007, UGI's Subchapter S election terminated. UGI will close its books as of July 30, 2007 and assign items of income, gain, loss, deduction, and credit to the final short S corporation tax year based on the UGI's methods of accounting and as required by Treasury regulations. Vendors agree to prepare, and Purchaser agrees to cause to be timely filed, federal and state Tax Returns for all periods ending prior to and on the Closing Date which are properly filed after the Closing Date, including the Company's final short S corporation year (Final S Period(s) Tax Returns"). Vendors shall control preparation of the Final S Period(s) Tax Returns, shall be responsible for any Taxes due on those returns, and shall pay all costs associated with the preparation of those returns; provided, however, such returns shall be submitted to UGI and Purchaser for filing. The parties shall use their best efforts to promptly resolve any disagreements as to the Final S Periods(s) Tax Returns. Any remaining disagreements will be referred to the Accounting Firm (as defined in Section 2.5) for resolution, provided that the scope of review by the Accounting Firm shall be limited to the disputed items.

**6.7 Return Filing**. The Purchaser shall cause the Companies to timely file all Tax Returns required to be filed by the Companies after the Closing, including any and all Final S Period(s) Tax Returns. The Purchaser agrees that the Companies and Purchaser shall be responsible for and pay all Taxes, in respect of all Post-Closing Periods. The Vendors agrees that the Vendors shall be responsible for and pay all Taxes, in respect of all Pre-Closing Periods.

**6.8 Mitigation**. The Purchaser and Vendors further agree, upon request, to use their best efforts to obtain any certificate of other document from any Governmental Authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including, but not limited to, with respect to the transactions contemplated hereby).

**6.9 Vendors' Contest Rights.**

(1) The Vendors may at any time by written notice to the Purchaser elect to control, defend, settle, compromise or prosecute in any manner an audit, examination, investigation, or other proceeding with respect to Taxes or Tax issues related to any matter in respect of which the Purchaser may have a right of indemnification pursuant to this Article 6, except that:

(a) the Vendors shall deliver to the Purchaser a written agreement that the Purchaser is entitled to indemnification for all Losses arising out of that audit, examination or other proceeding and that the Vendors shall be liable for the entire amount of those Losses provided said Losses are attributable to a Pre-Closing Period;

(b) the Vendors may not, without the written consent of the Purchaser, settle or compromise Taxes or Tax issues related to any matter which may affect Tax liabilities of the Purchaser or the Companies for a Post-Closing Period; and

(c) the Vendors shall pay to the Purchaser the amount of all Taxes (including, for greater certainty, interest and penalties) specified in the notice of assessment or other Claim from the Governmental Authority to which the Purchaser's indemnity Claim relates within ten Business Days before the amount is required to be paid to the Governmental Authority provided, however, that the amount of said Taxes (including for greater certainty, interest and penalties) are attributable to a Pre-Closing Period.

(2) The Purchaser shall cause the Companies to execute or cause to be executed such documents or take such action as reasonably requested by the Vendors to enable the Vendors to take any action they deem appropriate with respect to any proceedings in respect of which the Vendors have contest rights under this Agreement. In addition:

(a) the Vendors shall keep the Purchaser duly informed of any proceedings in connection with any matter which may affect the Taxes payable by the Purchaser or a Company; and

(b) the Purchaser shall be promptly provided with copies of all correspondence and documents relating to those proceedings and may, at its option and its own expense, participate in those proceedings through counsel of its choice.

**6.10 Indemnification Procedures**. Except to the extent expressly provided to the contrary in this Article 6, the general procedures regarding notice and pursuit of indemnification Claims set forth in Article 7 shall apply to all Claims for indemnification made under this Article 6, except that notwithstanding any provision of Article 7 to the contrary, if a Claim for indemnification involves any matter covered in this Article 6, then the contest provisions of Sections 6.5 and 6.9, as applicable, shall control regarding the defence and handling of any such third-party Claim that could give rise to an indemnification obligation on the part of the Vendors. Except as provided in Section 4.5(1), there shall be no limit on the time period during which a Claim for indemnification may be made under this Article 6.

## ARTICLE 7
## INDEMNIFICATION

**7.1 Individual Indemnification by the Vendors**. Each Vendor shall on a pro rata basis to their respective Purchase Price percentage due to them, indemnify and save harmless the Purchaser, Supco Holding Company and PDT Holding Company from any and all Losses suffered or incurred by the Purchaser as a result of or arising directly or indirectly out of or in connection with any inaccuracy of or any breach by such Vendor of any representation or warranty as to himself contained in Section 4.1 (except that a Vendor shall not be required to indemnify and save harmless the Purchaser, Supco Holding Company and PDT Holding Company in respect of any inaccuracy or breach of any such representation or warranty unless the Purchaser, Supco Holding Company or PDT Holding Company shall have provided notice to such Vendor in accordance with Section 7.7 on or prior to the expiration of the applicable time period related to that representation and warranty set out in Section 4.5).

**7.2 Indemnification by the Vendors**. In addition to any other indemnifications by the Vendors contained in this Agreement and subject to this Article 7, the Vendors shall:

(a) on a pro rata basis to their respective Purchase Price percentage due to them indemnify and save harmless the Purchaser, Supco Holding Company and PDT Holding Company from any and all Losses suffered or incurred by the Purchaser, Supco Holding Company or PDT Holding Company as a result of or arising directly or indirectly out of or in connection with any inaccuracy of or any breach by any of the Vendors of, any representation or warranty of any of the Vendors contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, other than the representations and warranties referred to in Section 7.1 (except that the Vendors shall not be required to indemnify or save harmless the Purchaser in respect of any inaccuracy or breach of any representation or warranty unless the Purchaser, Supco Holding Company or PDT Holding Company shall have provided notice to the Vendors in accordance with Section 7.7 on or prior to the expiration of the applicable time period related to that representation and warranty set out in Section 4.5); and

(b) on a pro rata basis to their respective Purchase Price percentage due to them indemnify and save harmless the Purchaser, Supco Holding Company and PDT Holding Company (only as to themselves) from any and all Losses suffered or incurred by the Purchaser, Supco Holding Company or PDT Holding Company as a result of or arising directly or indirectly out of or in connection with any respective breach or non-performance by a Vendor of any covenant or other obligation to be performed by such Vendor that is contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

**7.3 Individual Indemnification by David A. Buck** In addition to any other indemnification by the Vendors contained in this Agreement, David A. Buck will indemnify and save harmless, the Purchaser and its Affiliates, Supco Holding Company and its Affiliates, Superior and its Affiliates, the Trust and their successors and assigns from any and all Tax, penalties and interest, and any Losses suffered or incurred as a result of or arising directly or indirectly out of or in connection with any Tax that may be imposed on the Trust in connection with the sale of the Purchased Shares by the Trust which is not satisfied by the Trust charging such Tax, penalties and interest, and any Losses to the account held under the Trust for the benefit of David A. Buck. The obligation of David A. Buck under this Section 7.3 shall be binding upon his heirs, successors and assigns and shall survive Closing and continue in full force and effect and shall continue for the benefit of the Purchaser and its Affiliates, Supco Holding Company and its Affiliates, Superior and its Affiliates, the Trust and their successors and assigns for the applicable limitation period notwithstanding the Closing, plus 30 days following the expiration of such period, if any, during which an assessment or other form of recognized document assessing liability for Taxes under applicable Tax legislation in respect of any taxation year to which the this Section relates could be issued under that Tax legislation to the Trust, provided the Trust did not file any waiver or other document extending that period.

**7.4 Indemnification by the Purchaser**. Subject to this Article 7, the Purchaser shall indemnify and save harmless the Vendors from any and all Losses suffered or incurred by the Vendors as a result of or arising directly or indirectly out of or in connection with:

(a) any inaccuracy of or any breach by the Purchaser of, any representation or warranty of the Purchaser contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement (except that the Purchaser shall not be required to indemnify or save harmless the Vendors in respect of any inaccuracy or breach of any representation or warranty unless all or any of the

Vendors shall have provided notice to the Purchaser in accordance with Section 7.7 on or prior to the expiration of the time period set out in Section 4.6) and

(b) any breach or non-performance by the Purchaser of any covenant or other obligation to be performed by it that is contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

7.5 **Thresholds and Limits**.

(1) Notwithstanding Sections 7.1 and 7.2 but subject to Section 7.5(3) and 7.5(4), the Vendors' obligation to indemnify the Purchaser, Supco Holding Company and PDT Holding Company pursuant to Sections 6.4 and 7.2 of this Agreement and Section 5.1 of the IP Purchase Agreement the Vendors' respective obligations to indemnify and the Purchaser's obligation to indemnify the Vendors pursuant to Section 7.4 of this Agreement and Section 5.2 of the IP Purchase Agreement shall be applicable only if the aggregate of all those Losses incurred by the Purchaser, Supco Holding Company and PDT Holding Company or by all or any of the Vendors, as applicable, is in excess of US$150,000 (the "**Threshold**") and shall, in no event, exceed a maximum amount equal to US$4,900,000 (the "**Indemnity Limit**"). If the aggregate of all those Losses incurred by the Purchaser, Supco Holding Company and PDT Holding Company exceeds the Threshold, the Vendors shall be obliged to indemnify the Purchaser, Supco Holding Company and PDT Holding Company for all of those Losses, including the amount of the Threshold, up to the Indemnity Limit. Notwithstanding the foregoing, the maximum amount any Vendor shall be required to pay to indemnify the Purchaser, Supco Holding Company or PDT Holding Company shall equal the Purchase Price received by such Principal.

(2) Subject to Section 7.5(3) and 7.5(4), only items or Claims exceeding US$150,000 in aggregate shall be included in the calculation of Losses for the purpose of the Threshold, except that for the purpose of determining whether a Party is entitled to indemnification under this Agreement, a group of related matters resulting in Losses arising out of the same or a similar event or occurrence or a series of related or similar events or occurrences shall be deemed to be one item or Claim.

(3) The provisions of Sections 7.5(1) and 7.5(2) shall not apply in respect of any inaccuracy or breach of a representation or warranty contained in Subsections 4.5(1)(a) and 4.5(1)(b) and the right to indemnification under Section 7.2 in respect of such Subsections shall, in no event, exceed a maximum amount equal to US$27,000,000.

(4) The provisions of Sections 7.5(1) and 7.5(2) shall not apply in respect of any inaccuracy or breach of a representation or warranty involving fraud or fraudulent misrepresentation.

(5) The Vendors acknowledge and agree that the Purchaser shall seek payment of amounts due to it pursuant to Sections 6.4 and 7.2 from the Holdback Amount first and then if the Holdback Amount is reduced to zero, then from the Vendors in accordance with Sections 7.1 and 7.2.

7.6 **Obligation to Reimburse**. The Party providing indemnification under this Agreement (the "Indemnifying Party") shall reimburse to the Party being indemnified under this Agreement (the "Indemnified Party") the amount of any Losses suffered or incurred by the Indemnified Party, as of the date that the Indemnified Party incurs any such Losses, that payment being made without prejudice to the Indemnifying Party's right to contest the basis of the Indemnified Party's Claim for indemnification.

7.7 **Notice of Claim**.

(1) Promptly on becoming aware of any circumstances which have given or could give rise to a Claim of indemnification under this Article 7, the Indemnified Party shall notify the Indemnifying Parties of those circumstances in writing. That notice shall specify whether the Losses arise as a result of a Claim by a Person against the Indemnified Party (a "**Third Party Claim**") or whether the Losses do not so arise (a "**Direct Claim**"), and shall also specify with reasonable particularity (to the extent the information is available) the factual basis for the Claim and the amount of the Losses, if known.

(2) If through the fault of the Indemnified Party, the Indemnifying Party does not receive notice of any Claim in time to contest effectively the determination of any liability susceptible of being contested, the Indemnifying Party shall be entitled to set off against the amount claimed by the Indemnified Party the amount of any Losses incurred by the Indemnifying Party resulting from the Indemnified Party's failure to give that notice on a timely basis.

**7.8 Direct Claims**. With respect to any Direct Claim, following receipt of notice from the Indemnifying Party of the Direct Claim, the Indemnified Party shall have 60 days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of that investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied on by the Indemnified Party to substantiate the Direct Claim, together with such information as the Indemnifying Party may reasonably request. If the Parties agree at or prior to the expiry of this 60 day period (or agree to any extension of this period) to the validity and amount of that Direct Claim, the Indemnifying Party shall pay within two (2) Business Days to the Indemnified Party the full amount as agreed to by the Parties of the Direct Claim, failing which the matter shall be referred to binding arbitration in accordance with Section 8.12. For clarity, the Purchaser shall be deemed to have incurred or suffered Losses as of and from the Closing Date as a consequence of any reduction in the value of the Purchased Shares resulting from an inaccuracy or breach of any representation or warranty by the Vendors under this Agreement. For clarity, the Vendors shall be deemed to have incurred or suffered Losses as of and from the Closing Date resulting from an inaccuracy or breach of any representation or warranty by the Purchaser under this Agreement.

**7.9 Third Party Claims.**

(1) With respect to any Third Party Claim, the Indemnifying Party shall be entitled (but not required), at its expense, to participate in or assume the conduct of the negotiations, settlement or defence of the Third Party Claim.

(2) If the Indemnifying Party elects to assume the conduct of the negotiations, settlement or defence of the Third Party Claim, the Indemnifying Party shall be entitled to retain counsel on behalf of the Indemnified Party who is acceptable to the Indemnified Party, acting reasonably, to represent the Indemnified Party of that Third Party Claim. In any Third Party Claim for which the Indemnifying Party elects to assume that conduct, the Indemnified Party shall have the right to participate in the negotiation, settlement or defence of that Third Party Claim and to retain separate counsel to act on its behalf but the fees and disbursements of that counsel shall be at the expense of the Indemnified Party unless:

(a) the Indemnified Party determines, acting reasonably, that actual or potential of conflicts of interests exists which makes representation chosen by the Indemnifying Party not advisable (such as where the named parties to that Third Party Claim include both the Indemnifying Party and the Indemnified Party, and the defences available to the Indemnified Party are different or in addition to those available to the Indemnifying Party); or

(b) the Indemnifying Party has authorized the retention of that counsel.

(3) If the Indemnifying Party, having elected to assume that conduct, thereafter fails to defend the Third Party Claim within a reasonable time, the Indemnified Party shall be entitled to assume that conduct, and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to that Third Party Claim. If any Third Party Claim is of a nature such that the Indemnified Party is required by Applicable Law to make a payment to any Person (a "**Third Party**") with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party shall provide prior written notice of that payment to the Indemnifying Party and thereafter may make that payment and the Indemnifying Party shall, forthwith after demand by the Indemnified Party, reimburse the Indemnified Party for that payment, with the Indemnifying Party reserving its rights to seek reimbursement from the Indemnified Party in the event that said payment to the Third Party is found to have been erroneous and/or not warranted by Applicable Law. If the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which that payment was made, as finally determined, is less than the amount that was paid by the Indemnifying Party to the Indemnified Party, the Indemnified Party shall, forthwith after receipt of the difference from the Third Party, pay the amount of that difference to the Indemnifying Party.

**7.10 Settlement of Third Party Claims**. If the Indemnifying Party fails to assume conduct of the defence of any Third Party Claim, the Indemnified Party shall have the exclusive right to contest, settle or pay the amount claimed. Whether or not the Indemnifying Party assumes conduct of the negotiation, settlement or defence of any Third Party Claim, the Indemnifying Party shall not settle any Third Party Claim without the written consent of the Indemnified Party, which consent cannot be unreasonably withheld or delayed, except that the liability of the Indemnifying Party shall be limited to the proposed amount if any such consent is not obtained for any reason and the Indemnified Party shall indemnify and save harmless the Indemnifying Party from and against any Losses resulting from or arising out of the failure of the Indemnified Party to consent to that settlement.

**7.11 Co-Operation**. The Indemnified Party and the Indemnifying Party shall co-operate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect to that Third Party Claim (including supplying copies of all relevant documentation promptly as it becomes available). Where the defence of a Third Party Claim is being undertaken and conducted by the Indemnifying Party, the Indemnified Party shall use all reasonable efforts to make available to the Indemnifying Party, at the request and expense of the Indemnifying Party, those employees of the Indemnified Party whose assistance, testimony or presence is reasonably necessary to assist the Indemnifying Party in evaluating and defending that Third Party Claim.

**7.12 Gross-up**. If an Indemnified Party is subject to Tax in respect of the receipt of an amount pursuant to Article 6 or this Article 7, after taking into account any offsetting deduction or tax credit available in respect of the applicable Losses, then the amount payable by the Indemnifying Party shall be increased by an amount (the "**Increased Amount**") such that the Indemnified Party shall be in the same position after paying Tax on the amount received hereunder, including any Taxes payable on the Increased Amount, as the Indemnified Party would have been in had the Losses giving rise to such payment not arisen and had such amount not been payable.

**7.13 Exclusivity**. Unless otherwise provided in this Agreement, the provisions of this Article 7 shall apply to any Claim for breach of covenants, representation, warranty or other obligation or provision of this Agreement or any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement (other than a Claim for specific performance or injunctive relief) and to any and all other indemnities provided in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement with the intent that all such Claims and indemnities shall be brought only in accordance with the specific provisions of this Article 7.

**ARTICLE 8**
**GENERAL**

**8.1 Confidentiality of Information.**

(1) For the purposes of this Section 8.1, "**Confidential Information**" of a Party at any time means all information relating to that Party which at the time is of a confidential nature (whether or not specifically identified as confidential), is known or should be known by the other relevant Party or its Representatives as being confidential, and has been or is from time to time made known to or is otherwise learned by the relevant other Party or any of its Representatives as a result of the matters provided for in this Agreement, and includes:

(a) the terms of this Agreement and of any other contract, agreement, instrument, certificate or other document to be entered into as contemplated by this Agreement;

(b) a Party's business records;

(c) all Books and Records and all other information and documentation with respect to the Companies, the Business and the Assets provided by the Vendors and the Companies to the Purchaser and its Representatives, including all notes, analyses, compilations, studies, summaries and other material prepared by the Purchaser and its Representatives as a result of the Books and Records, information or documentation; and

(d) all copies of documents and data retained by the Vendors pursuant to Section 5.2(2).

Notwithstanding the foregoing, Confidential Information does not include any information that at the time has become generally available to the public other than as a result of a disclosure by the other Party or any of its Representatives, any information that was available to the other Party or its Representatives on a non-confidential basis before the date of this Agreement or any information that becomes available to the other Party or its Representatives on a non-confidential basis from a Person (other than the Party to which the information relates or any of its Representatives) who is not, to the knowledge of the other Party or its Representatives, otherwise bound by confidentiality obligations to the Party to which the information relates in respect of the information or otherwise prohibited from transmitting the information to the other Party or its Representatives.

(2) Each Party shall (and shall cause each of its Representatives to) hold in strictest confidence and not use in any manner, other than as expressly contemplated by this Agreement, all Confidential Information of the other Parties.

(3) Subject to Section 8.2, Section 8.1(2) shall not apply to the disclosure of any Confidential Information where that disclosure is required by Applicable Law. In that case, the Party required to disclose (or whose Representative is required to disclose) shall, as soon as possible in the circumstances, notify the other Parties of the requirement of the disclosure including the nature and extent of the disclosure and the provision of Applicable Law pursuant to which the disclosure is required. To the extent possible, the Party required to make the disclosure shall, before doing so, provide to the other Parties the text of any disclosure. On receiving the notification, the other Parties may take any reasonable action to challenge the requirement, and

the Party required to make the disclosure shall (or shall cause the applicable Representative to), at the expense of the other Parties, assist the other Parties in taking that reasonable action. Notwithstanding the foregoing, no disclosure shall be made of the amount of the Purchase Price, unless and to the extent required by Applicable Law.

**8.2 Public Announcements**. No Party shall make any public statement or issue any press release concerning the Transactions except as agreed by the Parties acting reasonably or as may be necessary, in the opinion of counsel to the Party making that disclosure, to comply with the requirements of all Applicable Law. If any public statement or release is so required, the Party making the disclosure shall consult with the other Parties before making that statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree on a text for the statement or release that is satisfactory to the Parties.

**8.3 Disclosure and Consultation.**

(1) Before any public statement or press release concerning the Transactions, no Party shall disclose this Agreement or any aspect of the Transactions except to its board of directors, its senior management, its legal, accounting, financial, insurer or other professional advisors, any financial institution contacted by it with respect to any financing required in connection with the Transactions and counsel to that institution, or as may be required by any Applicable Law or as agreed by the Parties.

(2) The Vendors and the Purchaser shall consult with each other concerning the manner by which the Companies' employees, customers, suppliers and other Persons having dealings with the Companies shall be informed of the Transactions, and the Purchaser shall have the right to be present for any such communication.

**8.4 Expenses**. Subject to the Purchaser's obligation to pay the cost of auditing the Interim Financial Statements pursuant to Section 5.1 and the cost of auditing the Companies financial statements as at and for the year ended December 31, 2006 and December 31, 2005 (if such audit is undertaken at the request of the Purchaser), each Party shall pay all expenses (including Taxes imposed on those expenses) it incurs in the authorization, negotiation, preparation, execution and performance of this Agreement and the Transactions, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other representatives or consultants.

**8.5 Best Efforts**. In this Agreement, unless specified otherwise, an obligation of any Party to use its best efforts to obtain any Approval shall not require the Party to make any payment to any Person for the purpose of procuring the Approval, except for payments for amounts due and payable to that Person, payments for incidental expenses incurred by that Person and payments required by any Applicable Law.

**8.6 No Third Party Beneficiary**. This Agreement is solely for the benefit of the Parties and no third parties shall accrue any benefit, Claim or right of any kind pursuant to, under, by or through this Agreement.

**8.7 Entire Agreement**. This Agreement together with the other agreements to be entered into as contemplated by this Agreement (the "**Other Agreements**") constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and the Other Agreements and supersede all prior correspondence, agreements, negotiations, discussions and understandings, written or oral. Except as specifically set out in this Agreement or the Other Agreements, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement or the Other

Agreements or which induced any party to enter into this Agreement or the Other Agreements. No reliance is placed on any representation, warranty, opinion, advice or assertion of fact made either prior to, concurrently with, or after entering into, this Agreement or any Other Agreement, or any amendment or supplement thereto, by any party to this Agreement or any Other Agreement or its Representatives, to any other Party or its Representatives, except to the extent the representation, warranty, opinion, advice or assertion of fact has been reduced to writing and included as a term in this Agreement or that Other Agreement, and none of the parties to this Agreement or any other Agreement has been induced to enter into this Agreement or any Other Agreement or any amendment or supplement by reason of any such representation, warranty, opinion, advice or assertion of fact. There shall be no liability, either in tort or in contract, assessed in relation to the representation, warranty, opinion, advice or assertion of fact, except as contemplated in this Section.

**8.8 Non-Merger**. All provisions of this Agreement, other than the representations and warranties in Article 4 and the related indemnities in Section 6.4 and Article 7 (which are subject to special arrangements provided in those Articles or sections) shall survive the execution, delivery and performance of this Agreement and Closing.

**8.9 Time of Essence**. Time is of the essence of this Agreement.

**8.10 Amendment**. This Agreement may be supplemented, amended, restated or replaced only by a written agreement signed by each Party.

**8.11 Waiver of Rights**. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of that right. No single or partial exercise of any such right shall preclude any other or further exercise of that right or the exercise of any other right.

**8.12 Arbitration**. All disputes arising out of or in connection with a claim under Article 7 or Section 5.1 of this Agreement shall be referred to and finally resolved by a single arbitrator (the "**Arbitrator**") pursuant to the rules and regulations of the American Arbitration Association. The decision of the Arbitrator on all issues or matters submitted to the Arbitrator for resolution shall be conclusive, final and binding on all of the Parties. The Arbitrator shall determine who shall bear the costs of arbitration pursuant to this Section 8.12.

**8.13 Jurisdiction**. Subject to Section 8.12, each Party irrevocably and unconditionally attorns to the exclusive jurisdiction of the courts of Delaware.

**8.14 Governing Law**. This Agreement and any dispute arising from or in relation to this Agreement shall be governed by, and interpreted and enforced in accordance with, the law of the Delaware.

**8.15 Notices.**

(1) Any notice, demand or other communication (in this Section 8.15, a "notice") required or permitted to be given or made under this Agreement must be in writing and is sufficiently given or made if:

(a) delivered in person and left with a receptionist or other responsible employee of the relevant Party at the applicable address set forth below;

(b) sent by prepaid courier service or (except in the case of actual or apprehended disruption of postal service) mail; or

(c) sent by facsimile transmission, with confirmation of transmission by the transmitting equipment (a "**Transmission**");

in the case of a notice to the Vendors, addressed to it at:

David A. Buck
[redacted]

Superior Manufacturing & Hydraulics, Inc. 401(k) Profit Sharing Plan & Trust
for the benefit of David A. Buck
Attention: [redacted]

Daniel S. Bangert
[redacted]

Charles L. Duhe, Jr.
[redacted]

Jeff Daigle
[redacted]

with a copy to:
Steven J. Dupuis
Law Offices of Steven J. Dupuis
Post Office Drawer 4425
Lafayette, LA 70502-4425

Attention: Steven J. Dupuis
Facsimile: (337) 233-2011

and in the case of a notice to the Purchaser, addressed to it at:

McCoy Corporation
Ste. 600 - Centre 104
5241 Calgary Trail N.W.
Edmonton, AB T6H 5G8

Attention: Jim Rakievich
Facsimile No.: (780) 453-8756

with a copy to:

Davis LLP
3000 Shell Centre
400 - 4th Avenue S.W.
Calgary, AB T2P 0J4

Attention: Roy Hudson
Facsimile No.: (403) 213-4464

(2) Any notice sent in accordance with this Section 8.15 shall be deemed to have been received:

(a) if delivered prior to or during normal business hours on a Business Day in the place where the notice is received, on the date of delivery;

(b) if sent by mail, on the fifth Business Day in the place where the notice is received after mailing, or, in the case of disruption of postal service, on the fifth Business Day after cessation of that disruption;

(c) if sent by facsimile during normal business hours on a Business Day in the place where the Transmission is received, on the same day that it was received by Transmission, on production of a Transmission report from the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the relevant facsimile number of the recipient; or

(d) if sent in any other manner, actual receipt;

except that any notice delivered in person or sent by Transmission not on a Business Day or after normal business hours on a Business Day, in each case in the place where the notice is received, shall be deemed to have been received on the next Business Day in the place where the notice is received.

(3) Any Party may change its address for notice by giving notice to the other Parties.

**8.16 Assignment**. Subject to the rights of the Purchaser to assign its rights to indemnification under Articles 6 and 7, no Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement to any Person.

**8.17 Further Assurances**. Each Party shall promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and matters in connection with this Agreement that any other Party may reasonably require, for the purposes of giving effect to this Agreement.

**8.18 Severability**. If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, that provision shall, as to that jurisdiction, be ineffective only to the extent of that restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement, without affecting the validity or enforceability of that provision in any other jurisdiction and, if applicable, without affecting its application to the other Parties or circumstances. The Parties shall engage in good faith negotiations to replace any provision which is so restricted, prohibited or unenforceable with an unrestricted and enforceable provision, the economic effect of which comes as close as possible to that of the restricted, prohibited or unenforceable provision which it replaces.

**8.19 Successors and Assigns**. This Agreement shall be binding on, and shall enure to the benefit of, the Parties and their respective successors.

**8.20 Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one agreement. To evidence the fact that it has executed this Agreement, a Party may send a copy of its executed counterpart to all other Parties by Transmission and the signature transmitted by Transmission shall be deemed to be its original signature for all purposes.

**8.21 McCoy Corporation**. McCoy agrees to guarantee the performance of all obligations and payments of Supco Holding Company and PDT Holding Company pursuant to this Agreement and any agreement referred to in, or contemplated by, this Agreement. It is acknowledged by McCoy that any breach of, or failure to comply with, the terms and conditions of the Non-Competition Agreements and Employment Agreements shall not constitute a breach of any representations and warranties under this Agreement or the IP Purchase Agreement. McCoy shall use its reasonable best efforts to obtain the release and discharge of all personal guarantees provided by one or more of the Vendors in support of Indebtedness.

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement.

**McCOY CORPORATION**

By: ______________________
Name: Jim Rakievich
Title: President and Chief Executive Officer

**SUPERIOR MANUFACTURING & HYDRAULICS, INC. 401(K) PROFIT SHARING PLAN & TRUST FOR THE BENEFIT OF DAVID A. BUCK**

By: ______________________
Name: David A. Buck
Title: Trustee

By: ______________________
Name: Ranie J. Moore
Title: Trustee

______________________
Witness

**DAVID A. BUCK**

______________________
Witness

**DANIEL S. BANGERT**

______________________
Witness

**CHARLES L. DUHE, JR.**

______________________
Witness

**JEFF DAIGLE**