STOCK PURCHASE AGREEMENT entered into as of the 9th day of February, 2004.

BETWEEN: **ADF GROUP USA INC.**, a corporation incorporated under the laws of Delaware;

(the "Seller")

AND: **UNIVERSAL PROPERTIES HOLDING LTD.**, a company formed under the laws of the British Virgin Islands;

(the "Buyer")

AND: **ADF GROUP INC.**, a corporation incorporated under the laws of Canada;

("ADF Group")

WHEREAS Seller is the legal and beneficial owner of all of the issued and outstanding shares of Owen Steel Company Inc., formerly known as ADF South Carolina, Inc. (the "Company");

AND WHEREAS Buyer wishes to purchase all but not less than all of the issued and outstanding shares of the Company and the Seller has agreed to sell all but not less than all of the issued and outstanding shares of the Company;

IN CONSIDERATION of the premises and the mutual agreements in this Agreement, and of other consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement,

"Agreement" means this share purchase agreement and all attached schedules, as the same may be supplemented, amended, restated or replaced from time to time;

"Articles" means the articles of incorporation of the Company dated November 15, 2001 and the articles of amendment of the Company dated April 3, 2002;

"Assets" means all of the assets, real and personal, tangible and intangible, and undertaking of the Company;

"Business Day" means a day other than a Saturday or Sunday, on which American chartered banks are open for the transaction of domestic business in South Carolina.

"Closing" means the execution of the documents necessary to effect the completion of the sale to and purchase by the Buyer of the Shares, subject to all of the terms and conditions of this Agreement, and the completion of all other transactions contemplated by this Agreement which are to occur prior to the purchase and sale of the Shares;

"Closing Date" means the date of execution of this Agreement;

"Closing Document" means any document delivered at or subsequent to the Closing Time as provided in or pursuant to, this Agreement;

"Company" means Owen Steel Company Inc.;

"Convertible Security" means a security of a body corporate which is convertible into, exchangeable for or which carries an obligation to purchase, one or more shares or Voting Securities of such body corporate;

"Deposit" means the sum of US$5,400,000 paid by the Buyer to the Seller's solicitors "In Trust" on or prior to the Closing Date as a deposit on account of the Purchase Price and other financial obligations arising from the transaction contemplated herein;

"Effective Date" means the earlier of (i) February 12, 2004 or (ii) the date on which all policies of insurance necessary to conduct the business of the Company without interruption become effective;

"Encumbrance" means any encumbrance of any kind whatever (registered or unregistered) and includes a security interest, mortgage, lien, hypothec, pledge, hypothecation, assignment, charge, security, trust or deemed trust (whether contractual, statutory or otherwise arising), a voting trust or pooling agreement with respect to securities, any adverse claim or any other right, option or claim of others of any kind whatever affecting the Assets or the Shares, any covenant or other agreement, restriction or limitation on the transfer of the Shares, a deposit by way of security and an easement, restrictive covenant, limitation, agreement or right of way, restriction, encroachment, burden or title reservation of any kind affecting the Assets or the use thereof and any rights or privileges capable of becoming any of the foregoing;

"including" means **"including without limitation"** and the term **"including"** shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;

"Parties" means the Buyer and the Seller collectively, and **"Party"** means any one of them;

"Person" shall be broadly interpreted and includes an individual, body corporate, partnership, joint venture, trust, association, unincorporated organization, any governmental authority or any other entity recognized by law;

"Purchase Price" means the purchase price to be paid by the Buyer to the Seller for the Shares as provided in Section 2.2;

"Rights" means any options, rights, warrants or subscription privileges issued or granted by a body corporate (whether or not currently exercisable or exercisable on conditions) to purchase Voting Securities, Convertible Securities or shares of such body corporate;

"Shares" means the 101 issued Class A common shares of the Company owned by the Seller and to be sold by the Seller to the Buyer hereunder, representing all of the issued and outstanding shares of the Company;

"Sureties" means St. Paul Guaranty Insurance Company, acting for itself and as agent for each of the surety companies or insurance underwriters identified in Schedule A attached hereto;

"Voting Securities" means the common shares of a body corporate and all other securities of such body corporate of any kind or class having power to vote for the election of directors either under all circumstances or in certain circumstances or in certain events (whether such circumstances or events exist or have occurred).

1.2 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended, or to any restated or successor legislation of comparable effect.

1.3 Headings

The division of this Agreement into articles, sections, subsections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The article, section, subsection and schedule headings in this Agreement are not intended to be full or precise descriptions of the text to which they refer and are not to be considered part of this Agreement. All uses of the words "hereto", "herein," "hereof," "hereby" and "hereunder" and similar expressions refer to this Agreement and not to any particular section or portion of it. References to an Article, Section or Subsection refer to the applicable article, section, subsection or schedule of this Agreement.

1.4 Number and Gender

In this Agreement, words in the singular include the plural and vice-versa and words in one gender include all genders.

1.5 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, between the Parties. There are no representations, warranties, conditions, other agreements or acknowledgements, whether direct or collateral, express or implied, that form part of or affect this Agreement, or which induced any Party to enter into this Agreement or on which reliance is placed by any Party, except as specifically set forth in this Agreement or in the Closing Documents.

1.6 Amendment

This Agreement may be amended, modified or supplemented only by a written agreement signed by each Party.

1.7 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 such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

1.8 Applicable Law

This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in Delaware (excluding any conflict of laws, rule or principle which might refer such interpretation to the laws of another jurisdiction). Each Party irrevocably submits to the non-exclusive jurisdiction of the courts of Delaware with respect to any matter arising hereunder or related hereto.

1.9 Currency

Unless specified otherwise, all statements of or references to dollar amounts in this Agreement are to United States dollars.

1.10 Performance on Holidays

If any action is required to be taken pursuant to this Agreement on or by a specified date which is not a Business Day, then such action shall be valid if taken on or by the next succeeding Business Day.

ARTICLE 2
PURCHASE AND SALE OF SHARES

2.1 Purchase and Sale of Shares

The Buyer hereby purchases the Shares and the Seller hereby sells and transfers the Shares to the Buyer, as of the Effective Date, on the terms and conditions contained in this Agreement.

2.2 Purchase Price

The Purchase Price for the Shares shall be Three Million Nine Hundred Thousand Dollars ($3,900,000).

2.3 Payment of Purchase Price

The Buyer hereby instructs irrevocably the Seller's solicitors to release the sum of $3,900,000 from the Deposit in favour of the Seller, or to any other person designated by written instructions of the Seller delivered to the Buyer at Closing, as payment of the Purchase Price.

2.4 Delivery of Certificates

If the Effective Date is the same as the Closing Date, the Seller shall transfer and deliver to the Buyer at the Closing share certificates representing the Shares duly endorsed in blank for transfer, or accompanied by irrevocable security transfer powers of attorney duly executed in blank and shall cause the Company to enter the Buyer on the books of the Company as the holder of the Shares and to issue one or more share certificates representing the Shares to the Buyer.

If the Effective Date shall not have occurred on the Closing Date, the Seller shall deliver to its solicitors, to hold until the Effective Date, the share certificates representing the Shares duly endorsed in blank for transfer, or accompanied by irrevocable security transfer powers of attorney duly executed in blank and shall, at the Effective Date, cause the Company to enter the Buyer on the books of the Company as the holder of the Shares and to issue one or more share certificates representing the Shares to the Buyer.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Seller

The Seller represents and warrants to the Buyer as set out in the following Subsections of this Section and acknowledges that the Buyer is relying upon such representations and warranties in entering into this Agreement.

3.1.1 Corporate Matters

(a) Each of the Company and the Seller is a corporation duly incorporated, organized and validly existing under the laws of its jurisdiction of incorporation.

(b) The Seller has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, this Agreement and the Closing Documents to which it is or will be a party. The Seller has taken all corporate action necessary to authorize the execution and delivery, and the observance and performance of its covenants and obligations under, this Agreement and the Closing Documents to which it is or will be a party.

(c) This Agreement and each Closing Document to which the Seller is a party have been or will be duly executed and delivered by the Seller, and this Agreement constitutes, and each Closing Document to which the Seller is a party will constitute, a valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms.

(d) The Company has all necessary power and authority to carry on its business as at present carried on.

(e) A true copy of the Articles and all by-laws of the Company have been delivered to the Buyer by the Seller on or before the Closing Date. The Articles and such by-laws of the Company constitute all of the constituting documents and by-laws of the Company, are complete and correct and are in full force and effect.

(f) The original or true copies of all corporate records of the Company have been delivered to the Buyer's solicitors for review prior to the Closing Date. Such corporate records have been maintained in accordance with applicable laws and contain complete and accurate:

(i) minutes of all meetings of the directors, any committee thereof and the shareholders of the Company held since the date of incorporation;

(ii) originals of all resolutions of the directors, any committee thereof and the shareholders of the Company passed by signature in writing since the date of incorporation; and

(iii) all waivers, notices and other documents required by law to be contained therein,

and reflect all actions taken and resolutions passed by the directors and shareholders of the Company since the date of incorporation.

All resolutions contained in such records have been duly passed and all such meetings have been duly called and held. The share certificate books, register of shareholders, register of transfer and registers of directors of the Company are complete and accurate and all applicable security transfer or documentary stamp taxes payable in respect of shares of the Company have been duly paid. The corporate records of the Company shall be delivered to the Company at or promptly following the Closing.

3.1.2 Authorized and Issued Capital Stock of the Company

The authorized capital of the Company consists of 336 Class "A" common shares, 333 Class "B" common shares, 333 Class "C" preferred shares, 333 Class "D" preferred shares, 333 Class "E" preferred shares, 333 Class "F" preferred shares, 333 Class "G" preferred shares, 333 Class "H" preferred shares, 333 Class "I" preferred shares, with a par value of $0.01 per share, of which 101 Class "A" common shares have been validly issued and are outstanding as fully paid and non-assessable shares.

3.1.3 Title to Shares

The Seller has, and on Closing, the Buyer shall acquire, good and marketable title to the Shares, free and clear of all Encumbrances. There are no restrictions on the transfer of the Shares except those set forth in the Articles.

3.1.4 No Options

No Person other than the Buyer has any oral or written agreement, option, warrant, right, privilege or any other right capable of becoming any of the foregoing (whether legal, equitable, contractual or otherwise) for the purchase, subscription or issuance of any unissued shares, Voting Securities, Convertible Securities or Rights of the Company, including its Assets.

3.1.5 Business of the Company

Seller has: (a) provided Buyer with a complete and accurate schedule of the Company's accounts payable and accounts receivable for all specific jobs available for the transaction (not including fixed costs and SG & A expenses) as of December 31, 2003; and (b) not intentionally withheld from Buyer any information about actual or potential material liabilities of the Company. Notwithstanding the foregoing, Buyer understands and acknowledges that Seller has not been in possession, custody of control of the business of the Company since December 15, 2003, and makes no representations or warranties as to any matter occurring after that date.

3.2 Representations and Warranties of the Buyer

The Buyer represents and warrants to the Seller as set out in the following Subsections of this Section and acknowledges that the Seller is relying upon such representations and warranties in entering into this Agreement.

3.2.1 Corporate Matters

(a) The Buyer is a corporation duly incorporated, organized, and validly existing under the laws of its jurisdiction of incorporation. No proceedings have been taken or authorized by the Buyer or, to the best of the Buyer's knowledge, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Buyer.

(b) The Buyer has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, the Agreement and the Closing Documents to which it is a party. The Buyer has taken all corporate action necessary to authorize the execution and delivery of, and the observance and performance of its covenants and obligations under, the Agreement and the Closing Documents to which it is a party.

(c) This Agreement has been, and each Closing Document to which the Buyer is a party will on Closing be, duly executed and delivered by the Buyer, and this Agreement constitutes, and each Closing Document to which the Buyer is a party will on Closing constitute, a valid and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms.

3.2.2 Due Diligence

The Buyer recognizes that, prior to the Closing, the Buyer and its advisors have been given full access to the books and records and the management of the Company for the purpose of its due diligence.

3.3 Interpretation

Each representation and warranty made by a Party in this Agreement shall be treated as a separate representation and warranty in respect of each statement made and the interpretation of any statement made shall not be restricted by reference to or inference from any other statement made in a representation and warranty of such Party.

3.4 Commission

Each Party represents and warrants to each other Party that no other Party will be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated hereby because of any action taken by, or agreement or understanding reached by, that Party.

3.5 Qualification of Representations and Warranties

Any representation or warranty made by a Party as to the enforceability of this Agreement or any Closing Document against such Party is subject to the following qualifications:

(a) specific performance, injunction and other equitable remedies are discretionary and, in particular, may not be available where damages are considered an adequate remedy; and

(b) may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other laws generally affecting enforceability of creditors' rights.

3.6 Survival of Representations and Warranties of Seller and Buyer

All representations, warranties, statements, covenants and agreements made by the Seller and the Buyer in this Agreement or any Closing Document shall survive the Closing without time limit.

ARTICLE 4
INDEMNIFICATION

4.1 Indemnification by Seller

Subject to the limits set forth in Section 4.3, the Seller shall indemnify, defend and save harmless the Buyer and each of its director, officer, employee, agent, solicitor, accountant, professional advisor and other representative ("Representative") from and against any and all loss, liability, damage, cost, expense, charge, fine, penalty or assessment, resulting from or arising out of any Claim (as defined below), including the costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise relating thereto and all interest, punitive damages, fines and penalties and reasonable legal fees and expenses incurred in connection therewith, including loss of profits and consequential damages ("Loss") suffered or incurred by them, as a direct or indirect result of, or arising in connection with or related in any manner whatever to:

(a) any misrepresentation or breach of warranty made or given by the Seller in this Agreement, in any Closing Document or in any other document delivered pursuant to this Agreement or any Closing Document;

(b) any failure by the Seller to observe or perform any covenant or obligation contained in this Agreement, any Closing Document or in any document delivered pursuant to this Agreement or any Closing Document.

For the purposes of this Article 4, "Claim" means any act, commission or state of facts and any demand, action, suit, proceeding, claim, assessment, judgment or settlement or compromise relating thereto which may give rise to a right to indemnification under this Article 4.

Any financial obligation of the Seller that may arise under this section 4 shall be satisfied by the ADF Group, it being understood and acknowledged that the Purchase Price being paid by the Buyer hereunder is being used to satisfy obligations of ADF Group.

4.2 Indemnification by the Buyer

Subject to the limits set forth in Section 4.3, the Buyer shall indemnify, defend and save harmless the Seller and each of the Seller's Representatives from and against any and all Loss suffered or incurred by them, as a direct or indirect result of, or arising in connection with or related in any manner whatsoever to:

(a) any misrepresentation or breach of any warranty made or given by the Buyer in this Agreement, in any Closing Document or in any document delivered pursuant to this Agreement or any Closing Document; or

(b) any failure by the Buyer to observe or perform any covenant or obligation contained in this Agreement, in any Closing Document or in any document delivered pursuant to this Agreement or any Closing Document.

4.3 Limitation

(a) No claims for indemnification may be made by the Buyer against the Seller under Section 4.1(a) in respect of any Loss arising in connection with any misrepresentation or breach of warranty made or given by the Seller in this Agreement, any Closing Document or in any document delivered pursuant to this Agreement or any Closing Document, unless and until the Loss suffered or incurred by the Buyer and by all of its Representatives collectively, in respect of all such misrepresentations or breaches of warranty, exceed Twenty Thousand Dollars ($20,000) in the aggregate, in which event the amount of all such Loss excluding such Twenty Thousand Dollar ($20,000) amount may be recovered by the Buyer. Moreover, any amount that may be recovered by the Buyer in respect of any Loss arising in connection with any misrepresentation or breach of warranty made or given by the Seller in this Agreement, or any Closing Document, may not exceed the Purchase Price, namely $3,900,000.

(b) No claims for indemnification may be made by the Seller against the Buyer under Section 4.2(a) in respect of any Loss arising in connection with any misrepresentation or breach of warranty made or given by the Buyer in this Agreement, any Closing Document or in any document delivered pursuant to this Agreement or any Closing Document unless and until the Loss suffered or incurred by the Seller and by all of its Representatives in respect of all such misrepresentations or breaches of warranty, exceed Twenty Thousand Dollars ($20,000) in the aggregate, in which event the amount of all such Loss excluding such Twenty Thousand Dollar ($20,000) amount may be recovered by the Seller. Moreover, any amount that may be recovered by the Seller in respect of any Loss arising in connection with any misrepresentation or breach of warranty made or given by the Buyer in this Agreement, or any Closing Document, may not exceed the Purchase Price, namely $3,900,000.

4.4 Rights in Addition

The rights of indemnity set forth in this Article 4 are in addition and supplemental to any other rights, actions, claims or causes of action which may arise in respect of this Agreement, any Closing Document and the transactions contemplated hereby.

ARTICLE 5
CONDITIONS OF CLOSING

5.1 Buyer's Conditions

The Buyer shall be obliged to complete the Closing only if each of the conditions precedent set out in the following Subsections of this Section 5.1 have been satisfied in full at or before the Closing Time. Each of such conditions precedent is for the exclusive benefit of the Buyer and the Buyer may waive any of them in whole or in part in writing.

5.1.1 <u>Release</u>

The Sureties and the Bank of Montreal shall have released all Encumbrances affecting the Assets and the Shares of the Company, and shall have made those Assets immediately and exclusively available to the Company, and the Shares immediately and exclusively available to effect this transaction, shall have caused the Receiver to be discharged, with all expenses of the receivership to be borne by the Sureties and/or the Bank of Montreal and shall cause the actions pending in the Superior Court in the Province of Québec (case 700/11-006542-031) and the U.S. District Court for the district of South Carolina (case #03/3942) to be dismissed.

5.1.2 <u>Undertaking from the Seller</u>

The Seller and ADF Group, shall have executed and delivered to the Company an agreement to indemnify and hold harmless against any claim for warranty under any contract completed by the Company prior to the Closing Date.

5.1.3 <u>Put Option Agreement</u>

The Seller shall have executed and delivered to the Buyer the Put Option Agreement attached hereto as <u>Schedule B</u>.

5.1.4 <u>Intercompany Accounts and Capitalization of Promissory Note</u>

The Seller and the Company shall have executed and delivered to the Buyer, in a form and substance satisfactory to the Buyer, a list of all intercompany accounts between the Seller and the Company as of the Closing Date. In addition, the Seller shall provide satisfactory proof that the Promissory Note payable to ADF Group, dated March 26, 2002, has been capitalized save and except for a sum of $1,100,000.

5.1.5 Confirmation by the Sureties

The Sureties shall have executed and delivered to the Company a confirmation that the Sureties will make a tender offer of the Company to obligees in the following contracts to resolve the current default of the Company:

(a) St-George Ferry (Job 2-23);

(b) U.S. Capitol Visitor Center (Job 2-43);

(c) Largo Station (Job 2-48);

(d) Station Place Phase III (Job 2-47).

5.2 Seller's Conditions

The Seller shall be obliged to complete the Closing only if each of the conditions precedent set out in the following Subsections of this Section 5.2 have been satisfied in full at or before the Closing Time. Each of such conditions precedent is for the exclusive benefit of the Seller and the Seller may waive any of them in whole or in part in writing.

5.2.1 Release

The Sureties and the Bank of Montreal shall have released all Encumbrances affecting the Assets and the Shares of the Company.

5.3 Waiver

Any Party may waive, by notice to the other Parties, any condition set forth in this Article 5 which is for its benefit. No waiver by a Party of any condition, in whole or in part, shall operate as a waiver of any other condition.

ARTICLE 6
GENERAL

6.1 Expenses

Each Party shall pay all expenses it incurs in authorizing, preparing, executing and performing this Agreement and the transactions contemplated hereunder, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other representatives or consultants.

6.2 Time

Time is of the essence of each provision of this Agreement.

6.3 Notices

(a) **Method of Delivery.** Any notice, demand or other communication (in this Section, a "notice") required or permitted to be given or made hereunder shall be in writing and shall be sufficiently given or made if:

(i) delivered in person during normal business hours on a Business Day and left with a receptionist or other responsible employee of the relevant party at the applicable address set forth below;

(ii) sent by prepaid first class mail; or

(iii) sent by any electronic means of sending messages, including telex or facsimile transmission, which produces a paper record ("Transmission") during normal business hours on a Business Day charges prepaid and confirmed by prepaid first class mail;

in the case of a notice to the Seller or ADF Group, addressed to:

ADF Group USA Inc.
300 Henry-Bessemer Street
Terrebonne, Québec J6Y 1T3
Canada

Attention: Chief Executive Officer

Fax No.: 450 965 1112

with a copy to:

Fasken Martineau DuMoulin LLP
800, Place Victoria, Suite 3400
Stock Exchange Tower, P.O. Box 242
Montreal, Quebec H4Z 1E9

Attention: Mr. Jacques Rajotte

Fax No.: 514 397 7600

and in the case of a notice to the Buyer, addressed to:

Owen Steel Company Inc.
727 Mauney Drive
Columbia, SC 29201

Attention: Chief Financial Officer

Fax No.: 803-251-7604

with a copy to:

David Zalesne
Klehr, Harrison, Harvey, Branzburg & Ellers, LLP
260 South Broad Street
Philadelphia, PA 19102

Fax No.: 215-568-6603

(b) **Deemed Delivery.** Each notice sent in accordance with this Section shall be deemed to have been received:

(i) in the case of personal delivery, if delivered before 5:00 p.m., on the day it was delivered; otherwise, on the first Business Day thereafter;

(ii) in the case of mailing, on the third Business Day after it was mailed (excluding the day of mailing and each Business Day during which there existed any general interruption of postal services due to strike, lockout or other cause); or

(iii) in the case of facsimile transmission, on the same day that it was sent if the machine from which it was sent receives the answer back code of the party to whom it was sent before 5:00 p.m. (recipient's time) on such day; otherwise on the first Business Day thereafter.

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

6.4 Public Announcements

No Party shall make any public statement or issue any press release concerning the transactions contemplated by this Agreement except as may be necessary, in the opinion of counsel to the Party making such disclosure, to comply with the requirements of all applicable laws. If any such public statement or release is so required, the Party making such disclosure shall consult with the other Parties prior to making such statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such statement or release which is satisfactory to all Parties.

6.5 Assignment

(a) The Buyer or the Seller may, without the consent of the Seller or the Buyer, as applicable, assign this Agreement and its rights hereunder to an affiliate on condition that the Buyer or the Seller, as the case may be, remain liable to observe and perform all of its covenants and obligations hereunder.

(b) Subject to paragraph (a),

(i) no Party may assign any rights or benefits under this Agreement to any Person;

(ii) each Party agrees to perform its obligations under this Agreement itself, and not to arrange in any way for any other Person to perform those obligations; and

(iii) no assignment of benefits or arrangement for substituted performance by one Party shall be of any effect against the other Party except to the extent that other Party has consented to it in writing.

(c) Subject to paragraphs (a) and (b) hereof, this Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation or statutory arrangement of any Party) and permitted assigns.

6.6 Further Assurances

Each Party shall do such acts and shall execute such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other Party may in writing at any time and from time to time reasonably request be done and or executed, in order to give full effect to the provisions of this Agreement and each Closing Document.

6.7 Remedies Cumulative

The rights and remedies of the Parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any Party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such Party may be lawfully entitled for the same default or breach.

6.8 Counterparts

This Agreement may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement.

6.9 Facsimile Execution

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 facsimile transmission. That Party shall be deemed to have executed this Agreement on the date it sent such facsimile transmission. In such event, such Party shall forthwith deliver to the other Party the counterpart of this Agreement executed by such Party.

ADF GROUP USA INC.

Per : Jean Paschini

ADF GROUP INC.

Per : Jean Paschini

UNIVERSAL PROPERTIES HOLDING LTD.

Per : Tania Murciano

SCHEDULE "A"

SURETY COMPANIES AND UNDERWRITERS

CNA Surety Corporation

Continental Casualty Company

National Fire Insurance of Hartford

American Casualty Company of Reading, PA

Universal Surety of America

Western Surety Company

SCHEDULE "B"

PUT OPTION AGREEMENT

See attached document.

PUT OPTION AGREEMENT

This PUT OPTION AGREEMENT is dated as of February 9, 2004, by and between Universal Properties Holding Ltd., a company formed under the laws of the British Virgin Islands ("Universal") and ADF Group USA Inc., a Delaware corporation ("ADF"). The obligations of ADF are guaranteed by ADF Group Inc., a Canadian corporation, and Jean Paschini and Pierre Paschini individually (collectively, the "Guarantors").

BACKGROUND:

A. Pursuant to a Stock Purchase Agreement made as of this date (the "Stock Purchase Agreement"), Universal purchased all of the issued and outstanding shares of the capital stock of Owen Steel Company Inc. ("Owen") from ADF.

B. As a material condition of entering into that Agreement, Universal and ADF agreed that (1) Universal shall have the right, but not the obligation, to convey back to ADF, on the terms and conditions set forth herein: (a) 50% of the capital stock of Owen owned by Universal as of the date of closing of the Put Option (the "Put Shares"), and (b) 50% of the debt obligations of Owen to Universal or its affiliates outstanding as of the date of closing of the Put Option (the "Put Debt"); and (2) each of the Guarantors shall guarantee the obligations of ADF under this Agreement.

NOW THEREFORE, in consideration of the foregoing, as well as the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound agree as follows:

Section 1. PUT OPTION.

(a) Universal Put Option. Subject to the conditions set forth below, at any time during the period between August 9, 2004, and February 10, 2005 (the "Put Option Period"), Universal shall have the right (the "Put Option") to tender to ADF (i) all of the Put Shares, for a purchase price equal to 50-percent of the purchase price paid and the capital contributions made by Universal for such Put Shares and (ii) all of the Put Debt, for the actual amount of the Put Debt including interest accrued thereon. The sum of the foregoing amounts is referred to herein as the "Put Price". Universal acknowledges that the obligation of ADF under the Put Option shall not exceed $3,000,000; any excess of the Put Price over the sum of $3,000,000 shall be deducted from the amount of the Put Debt to be purchased by ADF under the Put Option. Universal also agrees that the Put Option is conditional upon the Put Shares representing at least 37.5% of all of the issued and outstanding shares of the capital stock of Owen on the Closing Date of the Put Option.

(b) Exercise Notice. To exercise the Put Option, Universal shall deliver on or before the expiry of the Put Period a written notice to ADF stating its election to exercise the Put Option (the "Exercise Notice").

(c) Closing. The closing of the purchase and sale of the Put Shares and the Put Debt ("Closing") shall occur the later of (i) upon expiry of a delay of 30 days from the date of receipt of the Put Notice; and (ii) February 10, 2005, at a time, place and manner as may be agreed to by the parties.

(d) Deliverables. At the Closing:

(i) Universal and ADF will execute a Purchase Agreement for the sale and purchase of the Put Shares and the Put Debt that shall include, in addition to the terms standard for the nature of the transaction, representations and warranties similar to the representations and warranties contained in the Stock Purchase Agreement, and representations and warranties required under this agreement.

(ii) ADF shall deliver to Universal the Put Price in United States dollars in immediately available funds to an account or accounts designated in writing by Universal.

(iii) Universal shall deliver to ADF a stock certificate representing the Put Shares, duly endorsed for transfer.

(iv) Universal shall deliver to ADF an assignment of promissory notes reflecting the Put Debt.

(v) Universal and ADF shall enter into a stockholders' agreement relating to Owen that shall include, in addition to terms standard for the nature of the transaction, the following terms:

(A) Rights of preemption with respect to the issue of any securities;

(B) Rights of first refusal with respect to any transfer of shares except to an affiliate;

(C) Right of piggy-back, allowing a shareholder to sell its shares to the same third party upon the same terms and conditions;

(D) Rights to be represented on the Board of Directors proportionately to the shareholders' respective holding of shares over the total number of shares held by Universal and ADF, with a quorum composed of a majority of the directors including at least one representative of each of Universal and ADF;

(E) Minimum of one Board of Directors meeting per quarter plus one management meeting per month at which a representative of each shareholder shall be invited;

(F) No decision on matters listed below shall be made without the prior written approval of each of Universal and ADF: any loan, investment or guaranty; issue of securities or any instrument convertible into securities; any financing and the granting of securities on the assets of Owen; declaration of dividends on any class of securities and any distribution of capital to the shareholders; approval of any operating budget and capital investment budget; sale or disposition of any material assets; acquisition or sale of any real estate property or securities; creation of any subsidiary; dissolution, liquidation or winding-up of Owen; amendment to the Articles or the By-laws of Owen; the filing of any procedure under any insolvency law; any material change in the orientation of the business of Owen; any transaction with a related party to Owen; all employment contract with senior officers; the determination of the remuneration, including any bonuses, and any advance of money to a shareholder, a director or a senior officer of Owen;

(G) rights to receive financial statements on a quarterly basis;

(H) undertaking by ADF and Universal that, if and when a financing is required and agreed to by the shareholders, such financing shall be provided proportionately to their respective holdings of shares over the total number of shares held by ADF and Universal;

(I) arbitration procedure in case of deadlock on a major decision; and

(J) an agreement on a defined remedy for events of default by a shareholder.

(e) Default. In the event that ADF fails to tender to Universal at the Closing the entire Put Price, ADF shall be deemed to be in default of its obligations hereunder (a "Default"). Upon a Default, Universal may require the Guarantors, jointly and severally, to fulfill the obligations of ADF hereunder.

(f) Guarantee. The Guarantors, jointly and severally, agree to guaranty the obligations of ADF under this Agreement and to indemnify Universal with respect thereto. In the event that any of the Guarantors pay some or all of the Put Price, Universal shall deliver to such Guarantors stock certificates and assigned promissory notes representing the pro rata portion of the Put Shares and the Put Debt paid for by such Guarantors.

Section 2. REPRESENTATIONS AND WARRANTIES OF ADF AND THE GUARANTORS.

Each of ADF and the Guarantors, jointly and severally, represents and warrants to Universal, as of the date hereof and as of the date of the Closing (except for representations and warranties that expressly relate to a different date), as follows:

(a) Organization. Each of ADF and ADF Group Inc. is a corporation duly incorporated, organized and validly existing under the laws of its jurisdiction of incorporation. Each of ADF and ADF Group Inc. has all necessary power and authority to carry on its business as at present carried on.

(b) Authorization. Each of ADF and the Guarantors has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, this Agreement. Each of ADF and ADF Group Inc. has taken all corporate action necessary to authorize the execution and delivery, and the observance and performance of its covenants and obligations under, this Agreement.

(c) Valid Agreement. This Agreement has been duly executed and delivered by each of ADF and the Guarantors, and this Agreement constitutes a valid and binding obligation of each of ADF and the Guarantors enforceable against them in accordance with its terms.

Section 3. REPRESENTATIONS AND WARRANTIES OF UNIVERSAL.

Universal represents and warrants to ADF, as of the date hereof and as of the date of the Closing (except for representations and warranties that expressly relate to a different date), as follows:

(a) Organization. Universal is a corporation duly incorporated, organized and validly existing under the laws of its jurisdiction of incorporation. Universal has all necessary power and authority to carry on its business as at present carried on.

(b) Authorization. Universal has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, this Agreement. Universal has taken all corporate action necessary to authorize the execution and delivery, and the observance and performance of its covenants and obligations under, this Agreement.

(c) Valid Agreement. This Agreement has been duly executed and delivered by Universal, and this Agreement constitutes a valid and binding obligation of Universal enforceable against it in accordance with its terms.

Section 4. QUALIFICATION OF REPRESENTATIONS AND WARRANTIES.

Any representation or warranty made by a party as to the enforceability of this Agreement against such party is subject to the following qualifications:

(a) specific performance, injunction and other equitable remedies are discretionary and, in particular, may not be available where damages are considered an adequate remedy; and

(b) may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other laws generally affecting enforceability of creditors' rights.

Section 5. COVENANTS.

(a) Universal. During the Put Period:

(i) Universal covenants and agrees that it will contribute to Owen, on the date of execution of this Agreement, the amount of $1,500,000 either as capital contribution or as debt, and will contribute thereafter up to an additional $600,000 to Owen to fund any working capital or capital needs as may be determined in good faith by Universal and ADF. Universal will have no obligation to make capital contributions or working capital advances to Owen in excess of $2,100,000.

(ii) Universal will not transfer any shares it owns in the capital stock of Owen other than to an affiliate wholly-owned by Universal or its shareholders.

(iii) Universal will cause Owen not to issue any share or securities convertible into shares of its capital stock other than shares to be issued to Universal upon additional equity contribution or shares issued to the management of Owen provided that all shares issued to the management shall not exceed 25% of all the issued and outstanding shares of the capital stock of Owen on the Closing Date of the Put Option.

(iv) Universal will consult with ADF on all material business decisions of Owen, make all books and records of Owen available to ADF on reasonable notice, and provide ADF with detailed monthly financial statements as prepared in the ordinary course and as historically maintained.

(b) ADF. During the Put Period:

(i) In the event that Universal contributes to Owen the full amount of the funds described in Section 5(a)(i), ADF covenants and agrees that it will loan up to $1,000,000 to Owen to fund additional working capital needs as determined in good faith by Universal and ADF. Any such loans shall be acknowledged by a promissory note from Owen to ADF, and shall be repaid with interest accruing on a monthly basis at the rate of one point over the prime rate of interest of the J.P. Morgan Chase Manhattan Bank for commercial loans prevailing on the first day of the calendar month in which the loan is made or outstanding, adjusted monthly. ADF shall have no obligation to loan more than the total amount of $1,000,000. In the event that, on the date of expiry of the Put Period, Universal failed to exercise the Put Option, then Universal shall cause Owen, upon written demand from ADF to that effect, to reimburse the promissory notes issued upon the advances made hereunder together with accrued and unpaid interest thereon.

(ii) ADF will cooperate and work with Owen to help develop strategic alliances, marketing strategies, contracting and supplier relationships, and other similar ventures, for no additional consideration except reimbursement of actual costs. In the event that, on the expiry date of the Put Period, Universal fails to exercise the Put Option, then Universal shall cause Owen to pay ADF a fee in the amount of $200,000 in full satisfaction of any and all claims arising out of the services included hereunder.

Section 6. MISCELLANEOUS.

(a) Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given (a) when personally delivered, or delivered by facsimile (receipt acknowledged), (b) on the next business day if timely delivered by overnight courier or

(c) two (2) days after deposited in the United States mail, first-class, postage prepaid, addressed to the respective parties hereto as follows:

If to Universal:

Universal Properties Holding Ltd.
c/o Owen Steel Company Inc.
727 Mauney Drive
Columbia, SC 29201

Attention: Chief Financial Officer

Fax No.: 803-251-7604

with a copy to:

David Zalesne
Klehr, Harrison, Harvey, Branzburg & Ellers, LLP
260 South Broad Street
Philadelphia, PA 19102

Fax No.: 215-568-6603

If to ADF or ADF Group Inc.:
ADF Group Inc.
300 Henry-Bessemer Street
Terrebonne, Québec J6Y 1T3
Canada
Attention: Chief Executive Officer
Fax No.: 450 965 1112

with a copy to:

Fasken Martineau DuMoulin LLP
800, Place Victoria, Suite 3400
Stock Exchange Tower, P.O. Box 242
Montreal, Québec H4Z 1E9
Attention: Mr. Jacques Rajotte
Fax No.: 514 397 7600

If to an individual Guarantor:

c/o ADF Group Inc.
300 Henry-Bessemer Street
Terrebonne, Québec J6Y 1T3
Canada
Attention: Jean Paschini and Pierre Paschini
Fax No.: 450 965 1112

with a copy to:

Fasken Martineau DuMoulin LLP
800, Place Victoria, Suite 3400
Stock Exchange Tower, P.O. Box 242
Montreal, Québec H4Z 1E9
Attention: Mr. Jacques Rajotte
Fax No.: 514 397 7600

To the address set forth such individual Guarantor's signature on the signature page hereto, or to such other address and facsimile information as to any party hereto as such party shall designate by like notice to the other parties hereto.

Any such communication shall bear the date on which it is deemed given. The address and facsimile information provided for above may be changed by giving notice in the manner provided by this Subsection.

(b) Governing Law. This Agreement and its validity, construction, enforcement, and interpretation shall be governed by the substantive laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

(c) Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party (including delivery by facsimile).

(d) Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

(e) Severability. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement or the validity or enforceability of this Agreement in any other jurisdiction.

(f) Entire Agreement; Amendments. This Agreement and the instruments referenced herein contain the entire understanding of the parties hereto with respect to the matters covered herein and therein. No provision of this Agreement may be waived other than by an instrument in writing signed by the party to be charged with enforcement and no provision of this Agreement may be amended other than by an instrument in writing signed by all of the parties.

(g) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns, without relieving the parties of their obligations hereunder. Either party may, without the consent of the other, assign any or all of its rights hereunder to any of its affiliates without the prior consent of any other party, on the condition that they remain liable to observe and perform any covenants and obligations hereunder. No party may assign any rights or benefits under this Put Option to any person not an affiliate of that party without the express written consent of the other parties. Except as set forth herein, each party agrees to perform its obligations under this Put Option itself, and not to arrange in any way for any other person to perform those obligations; and no assignment of benefits or arrangement for substituted performance by one party shall be of any effect against the other party except to the extent other party has consented to it in writing.

(h) Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and permitted assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

(i) Survival; Indemnification. The representation, warranties, covenants and agreements of the parties set forth in this Agreement shall survive the Closing. Universal, on the one hand, and ADF and each of the Guarantors, jointly and severally, on the other hand (each, an "Indemnifying Party"), shall indemnify and hold harmless the other party or parties for all losses or damages arising as a result of or related to any breach or alleged breach by any of such Indemnifying Party's representations, warranties, covenants or agreements set forth in this Agreement, including advancement of expenses as they are incurred. Upon a Default, ADF and the Guarantors shall be responsible to pay all amounts, including reasonable attorneys' fees, incurred by Universal in connection with the enforcement of its rights hereunder.

(j) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(k) Joint Participation in Drafting. Each party to this Agreement has participated in the negotiation and drafting of this Agreement. As such, the language used herein shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party to this Agreement.

(l) Consent to Jurisdiction. Each of Universal, ADF and the Guarantors irrevocably submits to the non-exclusive jurisdiction of the courts of Delaware with respect to any matter arising hereunder or related hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have caused this Put Option Agreement to be duly executed as of the date first above written.

UNIVERSAL PROPERTIES HOLDING LTD.

By: ______________________________
Name:
Title:

ADF GROUP USA INC.

By: ______________________________
Name:
Title:

ADF GROUP INC.

By: ______________________________
Name:
Title:

Jean Paschini

Pierre Paschini