

## Schedule "B"

BETWEEN:

FORD MOTOR COMPANY

AND

KPMG INC., IN ITS CAPACITY AS RECEIVER OF  
GENFAST MANUFACTURING COMPANY

### MINUTES OF SETTLEMENT

WHEREAS Ford Motor Company ("Ford"), Genfast Manufacturing Company ("Genfast") and LaSalle Business Credit (the "Lender") entered into an Accommodation Agreement dated March 24, 2007.

WHEREAS Genfast obtained relief under the Companies' Creditors Arrangement Act ("CCAA").

WHEREAS KPMG Inc. was appointed as Receiver of Genfast pursuant to the Order of the Ontario Superior of Justice (Commercial List) (the "Receiver").

WHEREAS Ford had certain obligations under the Accommodation Agreement.

AND WHEREAS the parties desire to settle all and any obligations that Ford has under the Accommodation Agreement on the following basis:

1. Ford will pay to Genfast the following amounts:

- |     |                     |  |
|-----|---------------------|--|
| (a) | Accounts Receivable | \$ 56,780.00 (CDN)   |
| (b) | Finished Goods      | \$ 20,782.04 (USD)   |
| (c) | WIP                 | \$ 122,568.81 (USD)  |
| (d) | Raw Materials       | \$ [REDACTED] (USD)<br>(broken down between MNP<br>(USD) \$ [REDACTED] and Shannon<br>(USD) \$ [REDACTED]) |
|     | Total               | \$ 56,780.00 (CDN)<br>[REDACTED] (USD)   |

2. The parties will execute a Full and Final Release in the form attached hereto and marked as Schedule "A" which will be executed by the parties concurrently with execution of this Agreement which Release shall be held in escrow by the parties until such time as the payments noted in paragraph 1 of these Minutes of Settlement have been received by KPMG Inc.

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

FORD MOTOR COMPANY

PER: \_\_\_\_\_  
I have authority to bind the company

KPMG INC., IN ITS CAPACITY AS RECEIVER  
OF GENFAST MANUFACTURING COMPANY

PER: \_\_\_\_\_  
I have authority to bind the company

WWLIB:459963.1\029982-00406

**SCHEDULE "A"**

**FULL AND FINAL MUTUAL RELEASE**

KPMG INC., IN ITS CAPACITY AS RECEIVER OF GENFAST  
MANUFACTURING COMPANY (the "Releasor") in consideration of the sum of FIFTY SIX  
THOUSAND SEVEN HUNDRED AND EIGHTY DOLLARS ... \$ 56,780.00 (Cdn.) and

[REDACTED]  
[REDACTED] (USD) and other good and  
valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, do hereby  
release, acquit, remise and forever discharge FORD MOTOR COMPANY and its respective  
officers, directors, servants, agents and employees (the "Releasee") from any and all actions,  
causes of action, suits, debts, liabilities, dues, accounts, covenants, contracts, demands,  
proceedings and claims of any kind whatsoever which the Releasor has had, now has, or may  
hereafter have against the Releasee arising out of anything existing up to the present time,  
including without limiting the generality of the foregoing, all claims which could possibly be  
made by the Releasor in connection with all obligations under an Accommodation Agreement  
dated March 24, 2007 (the "Agreement").

AND the Releasor hereby undertakes and agrees not to make any claims or  
initiate any proceedings against any person, partnership, corporation or other entity which  
might be entitled to claim contribution, indemnity or other relief over against the Releasee,  
under the provisions of any statute or otherwise, with respect to or in connection with the

**Agreement.**

**AND IT IS FURTHER** agreed and understood that the Releasee does not by the payment aforesaid or otherwise admit any liabilities or obligations whatsoever to the Releasor and such liabilities and obligations are, in fact, denied.

**THIS RELEASE** shall be governed and construed in accordance with the laws of the Province of Ontario.

**THIS RELEASE** shall be binding upon and shall enure to the benefit of the respective successors and assigns of the Releasor and of the Releasee.

**IT IS HEREBY DECLARED** that the terms of this Release are fully understood and that the said Release is given voluntarily for the purpose of making a full and final compromise and settlement of all claims as aforesaid.

DATED to take effect as and from the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

In the presence of:

READ BEFORE SIGNING

\_\_\_\_\_

\_\_\_\_\_

Witness

KPMG INC., IN ITS CAPACITY AS  
RECEIVER OF  
GENFAST MANUFACTURING COMPANY

In the presence of:

READ BEFORE SIGNING

\_\_\_\_\_

\_\_\_\_\_

Witness

FORD MOTOR COMPANY

## Schedule "C"

### AGREEMENT

Ford Motor Company, on its own behalf and on behalf of its affiliates ("Customer") and LaSalle Business Credit, a division of ABN AMRO Bank N.V. Canada Branch ("Lender"), and GenFast Manufacturing Company ("Supplier") enter into this Agreement ("Agreement") on March 24, 2007 ("Effective Date").

### RECITALS

- A. Pursuant to purchase orders, supply agreements and/or releases issued by Customer ("Purchase Orders" or individually, a "Purchase Order") to Supplier, Customer purchased certain component parts or assembled goods (collectively, "Component Parts" or individually, a "Component Part") from Supplier.
- B. Customer has accounts payable to Supplier for Component Parts received prior to the Effective Date ("Accounts").
- C. LaSalle Business Credit, a division of ABN AMRO Bank N.V. Canada Branch ("Lender") and Supplier are parties to various loan and security agreements, as amended by the Forbearance Agreement ("Forbearance Agreement") dated March 8, 2007 (collectively, "Loan Documents"). To secure the indebtedness outstanding under the Loan Documents, Lender has a security interest in substantially all of Supplier's assets, including the Accounts, finished Component Parts ("Finished Goods"), Component Parts that are work-in-process ("WIP") and raw material used to manufacture the Component Parts ("Raw Material").
- D. Supplier obtained relief under the Companies' Creditors Arrangement Act (Canada) ("CCAA"), and Lender has rights in its collateral under the CCAA proceeding's Initial Order, in addition to its rights under the Loan Documents and applicable law.

E. On March 23, 2007, most of the officers and directors of Supplier resigned, and Supplier's business operations ceased.

F. Customer wishes to immediately purchase the Finished Goods, WIP and Raw Material on hand at Supplier's facility. Lender wishes to realize the value of its collateral, including the Accounts, Raw Material, WIP and Finished Goods.

**BASED UPON THE FOREGOING RECITALS** and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

**TERMS AND CONDITIONS**

1. **Accounts.** Customer agrees to make payment, within 10 days of the date of this Agreement, of its Accounts to Lender (for Supplier's account) for "Usable" and "Merchantable" Finished Goods received by Customer prior to the Effective Date at the otherwise applicable purchase order price without setoff or recoupment on any basis.

"Merchantable" means of good quality and in conformance with any applicable purchase order specifications. "Usable" means product that is not obsolete as determined in accordance with applicable industry standards for the product at issue.

2. **Inventory.** Customer agrees to purchase all Useable and Merchantable Finished Goods, WIP and Raw Material ("Customer Inventory"), provided that Customer receives title to the purchased Customer Inventory free and clear of all liens, claims and security interests of Lender.

3. **Inventory Purchase Price.** The price for the Customer Inventory to be purchased under this Agreement ("Purchase Price") will be calculated as follows:

- i. for Raw Material - 100% of Supplier's purchase order price for the subject Raw Material;
- ii. for WIP - 100% of the book value of such work-in-process, not to exceed the applicable Purchase Order piece price; and
- iii. for Finished Component Parts - 100% of the current Purchase Order price for the particular Component Part.

4. **Payment of Purchase Price.** Customer will pay to Lender (for the benefit of Supplier) the Purchase Price for its Customer Inventory purchased pursuant to this Agreement within 3 business days of receipt of the Customer Inventory. Customer agrees to pay the Purchase Price without asserting rights of offset or recoupment.

5. **Related Customers.** Customer will use its best efforts to promptly obtain agreements for Lender, containing the same terms and conditions as this Agreement, from Customer's Tier 1 suppliers for whom Supplier is a Tier 2 supplier, if any.

6. **Authority.** The parties executing this Agreement as representatives warrant that they have the power and authority to execute this Agreement on behalf of the corporation or entity that they represent and that their signatures bind said corporations or entities to the terms of this Agreement.

7. **Electronic Signatures.** This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts will be deemed to be an original and taken together will constitute but one and the same instrument. The parties agree that their respective signatures may be delivered by fax or email with original signatures to follow, and that fax or email signatures will be treated as originals for all purposes.

8. **Dispute Resolution.** To the extent there are discrepancies related to amounts owing hereunder, Customer, Supplier and Lender will meet in an effort to reconcile such discrepancies on or prior to April 6, 2007. To the extent the above reconciliation process does not resolve all disputes, the parties agree to submit such disputes to binding arbitration according to an expedited arbitration process using one arbitrator on agreed upon terms, or if there is no agreement on the arbitrator or the arbitration process, according to the American Arbitration Association rules.

9. **Governing Law.** This Agreement is made in the Province of Ontario and will be governed by, and construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without regards to conflicts of law principles.

**FORD MOTOR COMPANY**

By: \_\_\_\_\_ /s/  
Stephen S. LaPlante  
Its: Counsel, pursuant to email authorization  
Of Steven Wagner, Director, Electrical  
Purchasing Manager, Ford Motor Company

**LASALLE BUSINESS CREDIT,**  
a division of **ABN AMRO BANK N.V. CANADA BRANCH**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

(signatures continued on next page)

GENFAST MANUFACTURING COMPANY

Per. Ces - [Signature]

Name:

Title: V.P. MANUFACTURING

~~(I have authority to bind the Corporation)~~

~~without~~ on behalf of Genfast Manufacturing  
Company, without personal liability

DELIB:2835759.11029982-00406

Schedule "D"

IN THE MATTER OF THE RECEIVERSHIP OF GENFAST MANUFACTURING COMPANY  
FORD STEEL COIL INVENTORY

PART NUMBER	GRADE	PART DESCRIPTION	LOCATION	HEAT LOT NUMBER	EMERALD	MNP
					LBS	LBS
6152-170	1008	.531 1008 ALK CHQ	MITTALL	W90522	55,896	
6152-170	1008	.531 1008 ALK CHQ	MITTALL	W90523	34,403	
6152-170	1008	.531 1008 ALK CHQ	MITTALL	W91068	97,820	
6152-176	1008	.531 1008 ALK CHQ	MITTALL	437020	60,678	
912-53119	1008	.531 1008 ALK IQ	GENFAST	W90523	2,400	
912-40623	1016	.406 1016 ALK IQ	GENFAST	W84789	6,285	
912-40623	1016	.406 1016 ALK IQ	GENFAST	W85421	8,500	
912-40623	1016	.406 1016 ALK IQ	GENFAST	W91721	2,570	
912-53120	1335	.531 1335 SPH ROD C&L	GENFAST	W93310	17,290	
912-53120	1335	.531 1335 SPH ROD C&L	GENFAST	W93310	38,172	
912-53120	1335	.531 1335 SPH ROD C&L	GENFAST	W91771	2,310	
6525-586	1335	.718 1335 CHQ	MITTALL	443820	9,941	
912-71800	1335	.718 1335 SPH ROD PHOS & LUBE	GENFAST	W92688	24,845	
6525-336	1335	.765 1335 CHQ	MITTALL	425700	14,251	
912-76557	1335	.765 1335 SPH ROD C&L FW	GENFAST	448080	13,012	
912-76557	1335	.765 1335 SPH ROD C&L FW	GENFAST	450560	25,756	
912-76557	1335	.765 1335 SPH ROD C&L FW	GENFAST	439020	22,271	
912-76572	1335	.765 1335 SPH ROD PHOS & LUBE	GENFAST	448080	30,276	
912-76572	1335	.765 1335 SPH ROD PHOS & LUBE	GENFAST	439020	28,505	
3434-036	1541	.256 1541 CHQ	SIVACO	460110		27,004
912-25611	1541	.256 1541 SPH ROD C&L	GENFAST	W93583		29,335
6434-936	1541	.485 1541 CHQ	MITTALL	135918	10,652	
6434-936	1541	.485 1541 CHQ	MITTALL	430460	20,000	
3434-936	1541	.485 1541 CHQ	SIVACO	460106	13,380	
3434-936	1541	.485 1541 CHQ	SIVACO	620581	8,919	
3434-936	1541	.485 1541 CHQ	SIVACO	630499	4,459	
3434-936	1541	.485 1541 CHQ	SIVACO	797644	44,600	
912-48520	1541	.485 1541 SPH ROD PHOS & LUBE	GENFAST	460106	13,379	
912-47500	1541	0.475 1541 SPH SAFS PHOS & LUB	GENFAST	797584	26,000	
6434-166	1541	.515 1541 CHQ	MITTALL	135918		10,027
6434-166	1541	.515 1541 CHQ	MITTALL	136220		17,410
3434-166	1541	.515 1541 CHQ	SIVACO	630494		8,852
3434-166	1541	.515 1541 CHQ	SIVACO	630502		57,537
912-51500	1541	0.515 1541 SPH SAFS PHOS & LU	GENFAST	630506		70,777
912-57847	1541	.578 1541 SPH ROD C&PH BOF FW	GENFAST	A82024	1,220	
912-57847	1541	.578 1541 SPH ROD C&PH BOF FW	GENFAST	438420	865	
<b>TOTAL</b>					<b>2,085</b>	
912-37400	4037	.374 4037 SIAK SPHER PHOS&LU	GENFAST	W86261		1,240
912-37400	4037	.374 4037 SIAK SPHERE C&L	GENFAST	W86261		8,580
912-48515	4037	.485 4037 SPH ROD C&L	GENFAST	A83793		19,265
912-48515	4037	.485 4037 SPH ROD C&L	GENFAST	424020		1,650
912-48521	4037	.485 4037 SPH ROD C&P	GENFAST	A80622		7,885
912-48521	4037	.485 4037 SPH ROD C&P	GENFAST	A83618		10,807
912-51566	4037	.515 4037 SPH ROD PHOS & LUBE	GENFAST	W92713		33,905
912-51566	4037	.515 4037 SPH ROD PHOS & LUBE	GENFAST	W91988		23,306
912-51566	4037	.515 4037 SPH ROD PHOS & LUBE	GENFAST	W91979		7,896
912-40639	10B21	.406 10B21 SIK CH ROD C&PH&LU	GENFAST	W93032		11,984
<b>TOTAL ROD IN COIL FORM</b>					<b>638,635</b>	<b>347,460</b>

## Schedule "E"

Court File No. 07-CV-338766 SR

*ONTARIO*  
SUPERIOR COURT OF JUSTICE

BETWEEN:

**KPMG INC., in its capacity as Court-appointed Receiver  
of Genfast Manufacturing Company**

Plaintiff

- and -

**GENERAL FASTENERS COMPANY and GENERAL FASTENERS DE MÉXICO**

Defendants

### MINUTES OF SETTLEMENT

**WHEREAS** the parties have agreed to enter into these Minutes of Settlement in order to settle all matters in dispute between them with respect to the issues in this claim.

**NOW THEREFORE** in consideration of the terms and mutual covenants contained herein, **THE PARTIES HERETO AGREE AS FOLLOWS:**

1. The defendant General Fasteners Company shall pay \$74,058.70 USD plus applicable taxes to the plaintiff in satisfaction of all claims inclusive of costs and interest;
2. The defendant General Fasteners de México shall pay \$20,777.16 USD plus applicable taxes to the plaintiff in satisfaction of all claims inclusive of costs and interest;
3. The plaintiff and the defendants General Fasteners Company and General Fasteners de México shall each execute a standard Bill of Sale in the form attached hereto as Schedules "A" and "B" respectively;
4. The parties shall execute a Full and Final Mutual Release in the form attached hereto as Schedule "C";

- 5. Counsel for both parties shall sign a consent to have the action dismissed on a without costs basis; and
- 6. The plaintiff shall take out an order dismissing the main action on a without costs basis.

These Minutes of Settlement shall be governed by and construed in accordance with the laws of the Province of Ontario, irrespective of the principal place of business, residence or domicile of the parties among whom it is made.

The Minutes of Settlement shall extend to and be binding upon the respective successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the Parties hereto have executed these Minutes of Settlement.

EXECUTED AT \_\_\_\_\_, Ontario, this \_\_\_\_ day of November, 2007.

\_\_\_\_\_  
General Fasteners Company  
Name:

"I HAVE AUTHORITY TO BIND THE CORPORATION"

\_\_\_\_\_  
General Fasteners de México  
Name:

"I HAVE AUTHORITY TO BIND THE CORPORATION"

\_\_\_\_\_  
KPMG Inc. in its capacity as Court-appointed  
Receiver of Genfast Manufacturing Company

Name: Brad Newton

"I HAVE AUTHORITY TO BIND THE RECEIVER"

SCHEDULE "A"

**BILL OF SALE**

**THIS AGREEMENT** made the \_\_\_\_ day of November, 2007

**B E T W E E N:**

**GENERAL FASTENERS COMPANY**

(hereinafter referred to as the "Purchaser")

of the first part

- and -

**KPMG INC.,**  
solely in its capacity as Court-appointed  
Receiver of Genfast Manufacturing Company  
(the "Company"), with no personal or  
corporate liability

(hereinafter referred to as the "Vendor")

of the second part

**WHEREAS:**

- (a) Pursuant to the Order of the Honourable Mr. Justice Campbell dated April 5, 2007, KPMG Inc. was appointed as the Court-appointed Receiver of the Company;
- (b) The Company, the Purchaser and LaSalle Business Credit, a division of ABN AMRO Bank N.V., Canada Branch (the "Bank"), entered into an Accommodation Agreement dated March 28, 2007 (the "Accommodation Agreement"); and

- (d) The Purchaser has offered to purchase certain of the property, assets and undertaking of the Company from the Vendor and the Vendor has accepted such offer on the terms described herein.

NOW THEREFORE IN CONSIDERATION of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do covenant and agree as follows:

## ARTICLE I PURCHASE AND SALE OF ASSETS

### 1.1 Purchase and Sale

The Vendor agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Vendor all of the Vendor's right, title and interest in and to the Merchantable and Useable (as defined in the Accommodation Agreement) assets, if any, more particularly described in Schedule "A" hereto (the "Purchased Assets");

The Purchaser hereby acknowledges to and in favour of the Vendor that the Purchaser has conducted its own investigations and inspections of the Purchased Assets and all matters and things connected with or in any way related to the Purchased Assets, that the Purchaser has satisfied itself with respect to the Purchased Assets that the Purchaser has relied entirely upon its own investigation and inspections in entering into this agreement, that the Purchaser is purchasing the Purchased Assets on an "as is, where is" basis upon execution of this Agreement except as otherwise provided herein, that the Purchaser will accept the Purchased Assets in their present state, condition and location and the Purchaser hereby acknowledges that the Vendor has made no representations, warranties, statements or promises save and except as are contained herein with respect to any matter or thing whatsoever, including, without limitation, as to title, description, fitness for purpose, merchantability, quantity or the condition of any matter or thing whatsoever. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) do not apply to the sale of the Purchased Assets and have been waived by the Purchaser. Except as expressly set out in this Agreement, no adjustments shall be allowed to the Purchaser for any changes in condition, quality or quantity of the Purchased Assets. The Purchaser acknowledges that the Vendor is not required to inspect or count, or provide any inspection or counting, of the Purchased Assets or any parts thereof and the Purchaser shall be deemed, at its own expense, to have relied entirely upon its own inspection and investigation of the Purchased Assets. Nothing contained herein shall require the Vendor after the date on which the Purchaser collects the Purchased Assets to take possession of, protect, preserve, or otherwise safeguard any Purchased Assets which are not assignable without the consent of any person;

The Purchaser acknowledges that it shall be the Purchaser's sole responsibility to obtain, at its own expense, any consents, approvals or any further documentation or assurances which may be required to carry out the terms of this Agreement, including, without limitation, any approvals with respect to assets subject to lease or any of the Purchased Assets which are not assignable without the consent or other action of a third party (or parties); and

The Vendor shall, without further cost to the Purchaser, promptly execute, deliver and record such further instruments, agreements, and/or proof as may reasonably be required by the Purchaser to acknowledge and give effect to the terms of this Agreement.

#### **1.2 Purchase Price**

The Purchase Price for the Purchased Assets is the sum of \$74,058.70 USD plus all applicable federal and provincial sales taxes eligible in connection with this Agreement which shall be paid by the Purchaser as provided in Section 1.3. Except as provided herein, there shall be no adjustment of the Purchase Price. The Purchase Price will be paid by the Purchaser by way of cashiers check drawn on Comerica Bank in Michigan upon execution of this Agreement.

#### **1.3 Taxes**

The Purchaser will pay to the Vendor all taxes (excluding income taxes) which are payable in connection with the transaction described herein. Notwithstanding the foregoing, the Purchaser may provide the Vendor with suitable exemption certificates satisfactory to the Vendor and its counsel indicating the Purchaser's entitlement to an exemption or exemptions from any tax or registration fees, which exemption certificates will be accepted by the Vendor in lieu of the Purchaser's obligations insofar as such tax is concerned.

#### **1.4 Delivery of the Assets**

The Purchased Assets are located at 225 Henry Street, Brampton, Ontario (the "Premises") and shall be surrendered to the possession of and removed by the Purchaser at the Premises upon execution of this Agreement or on a date mutually agreeable to the parties hereto.

#### **1.5 Purchaser's Representations and Warranties**

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement:

- (a) the Purchaser has the requisite power and authority to enter into and complete the transaction of purchase and sale contemplated hereby and all

necessary corporate action will have been taken to authorize the execution and delivery of this Agreement and all documents contemplated hereby.

The Purchaser's representations and warranties shall survive the completion of this transaction.

#### **1.6 Vendor's Representations and Warranties**

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in entering into this agreement:

- (a) The Vendor is not a non-resident of Canada within the meaning of that term as used in the *Income Tax Act* (Canada);
- (b) The Purchased Assets remain in the same condition and location as they were at the time of the Purchaser's examination of them, as referred to in paragraph 1.1 above, up until the date on which the Purchaser picks-up the Purchased Assets; and
- (c) The Vendor has the requisite power and authority to enter into and complete the transaction of purchase and sale contemplated hereby and all necessary action will have been taken to authorize the execution and delivery of this Agreement and all documents contemplated hereby.

The Vendor's representations and warranties shall survive the completion of this transaction.

#### **1.7 Release**

The Purchaser hereby releases, remises and forever discharges the Vendor and all of its respective officers, directors, employees, partners, administrators, successors, assigns, agents, and solicitors (collectively, the "Releasees"), of and from any and all claims and causes of action of every kind and nature whatsoever, whether in law or in equity, whether implied or express, which the Purchaser ever had, now have, or may in the future have against the Releasees in respect of the Accommodation Agreement and the transaction contemplated in this Agreement.

#### **1.8 Time shall be of the essence of this Agreement.**

**1.9** This Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto.

**1.10** This Agreement, and all documents in connection hereto, constitute the entire Agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings or letters between the parties hereto. There are no representations, warranties, terms, conditions, undertakings or collateral

Agreements, express, implied or statutory between the parties other than is expressly set forth in this Agreement.

1.11 No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both of the parties hereto and no waiver of any breach of any term or provision of this Agreement shall be effective or binding unless made in writing and signed by the party purporting to give same and, unless otherwise provided, shall be limited to the specific breach so waived.

1.12 This Agreement may not be assigned by the Vendor or the Purchaser without the prior written consent of the other.

1.13 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

1.14 This Agreement may be executed in counterparts and/or by facsimile.

IN WITNESS WHEREOF the parties have executed this Agreement at Brantford, Ontario this \_\_\_\_ day of November, 2007.

\_\_\_\_\_  
General Fasteners Company

\_\_\_\_\_  
KPMG Inc. in its capacity as Court-  
appointed Receiver of Genfast  
Manufacturing Company

Name:

Name: Brad Newton

"I HAVE AUTHORITY TO BIND THE  
CORPORATION"

"I HAVE AUTHORITY TO BIND THE  
RECEIVER"

**SCHEDULE "B"**

**BILL OF SALE**

THIS AGREEMENT made the \_\_\_ day of November, 2007

**B E T W E E N:**

**GENERAL FASTENERS DE MÉXICO**

(hereinafter referred to as the "Purchaser")

of the first part

- and -

**KPMG INC.,**  
solely in its capacity as Court-appointed  
Receiver of Genfast Manufacturing Company  
(the "Company"), with no personal or  
corporate liability

(hereinafter referred to as the "Vendor")

of the second part

**WHEREAS:**

- (a) Pursuant to the Order of the Honourable Mr. Justice Campbell dated April 5, 2007, KPMG Inc. was appointed as the Court-appointed Receiver of the Company; and
- (d) The Purchaser has offered to purchase certain of the property, assets and undertaking of the Company from the Vendor and the Vendor has accepted such offer on the terms described herein.

**NOW THEREFORE IN CONSIDERATION** of the mutual covenants and agreements contained herein and for other good and valuable consideration, the

receipt and sufficiency of which are hereby acknowledged, the parties do covenant and agree as follows:

**ARTICLE I  
PURCHASE AND SALE OF ASSETS**

**1.1 Purchase and Sale**

The Vendor agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Vendor all of the Vendor's right, title and interest in and to the assets, if any, more particularly described in Schedule "A" hereto (the "Purchased Assets");

The Purchaser hereby acknowledges to and in favour of the Vendor that the Purchaser has conducted its own investigations and inspections of the Purchased Assets and all matters and things connected with or in any way related to the Purchased Assets, that the Purchaser has satisfied itself with respect to the Purchased Assets that the Purchaser has relied entirely upon its own investigation and inspections in entering into this agreement, that the Purchaser is purchasing the Purchased Assets on an "as is, where is" basis upon execution of this Agreement except as otherwise provided herein, that the Purchaser will accept the Purchased Assets in their present state, condition and location and the Purchaser hereby acknowledges that the Vendor has made no representations, warranties, statements or promises save and except as are contained herein with respect to any matter or thing whatsoever, including, without limitation, as to title, description, fitness for purpose, merchantability, quantity or the condition of any matter or thing whatsoever. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) do not apply to the sale of the Purchased Assets and have been waived by the Purchaser. Except as expressly set out in this Agreement, no adjustments shall be allowed to the Purchaser for any changes in condition, quality or quantity of the Purchased Assets. The Purchaser acknowledges that the Vendor is not required to inspect or count, or provide any inspection or counting, of the Purchased Assets or any parts thereof and the Purchaser shall be deemed, at its own expense, to have relied entirely upon its own inspection and investigation of the Purchased Assets. Nothing contained herein shall require the Vendor after the date on which the Purchaser collects the Purchased Assets to take possession of, protect, preserve, or otherwise safeguard any Purchased Assets which are not assignable without the consent of any person;

The Purchaser acknowledges that it shall be the Purchaser's sole responsibility to obtain, at its own expense, any consents, approvals or any further documentation or assurances which may be required to carry out the terms of this Agreement, including, without limitation, any approvals with respect to assets subject to lease or any of the Purchased Assets which are not assignable without the consent or other action of a third party (or parties); and

The Vendor shall, without further cost to the Purchaser, promptly execute, deliver and record such further instruments, agreements, and/or proof as may reasonably be required by the Purchaser to acknowledge and give effect to the terms of this Agreement.

**1.2 Purchase Price**

The Purchase Price for the Purchased Assets is the sum of US \$20,777.17 plus all applicable federal and provincial sales taxes eligible in connection with this Agreement which shall be paid by the Purchaser as provided in Section 1.3. Except as provided herein, there shall be no adjustment of the Purchase Price. The Purchase Price will be paid by the Purchaser by way of cash or certified cheque drawn on a Canadian chartered bank upon execution of this Agreement.

**1.3 Taxes**

The Purchaser will pay to the Vendor all taxes (excluding income taxes) which are payable in connection with the transaction described herein. Notwithstanding the foregoing, the Purchaser may provide the Vendor with suitable exemption certificates satisfactory to the Vendor and its counsel indicating the Purchaser's entitlement to an exemption or exemptions from any tax or registration fees, which exemption certificates will be accepted by the Vendor in lieu of the Purchaser's obligations insofar as such tax is concerned.

**1.4 Delivery of the Assets**

The Purchased Assets are located at 225 Henry Street, Brampton, Ontario (the "Premises") and shall be surrendered to the possession of and removed by the Purchaser at the Premises upon execution of this Agreement or on a date mutually agreeable to the parties hereto.

**1.5 Purchaser's Representations and Warranties**

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement:

- (a) the Purchaser is a corporation duly incorporated under the laws of the Province of Ontario; and
- (b) the Purchaser has the requisite power and authority to enter into and complete the transaction of purchase and sale contemplated hereby and all necessary corporate action will have been taken to authorize the execution and delivery of this Agreement and all documents contemplated hereby.

The Purchaser's representations and warranties shall survive the completion of this Transaction.

**1.6 Vendor's Representations and Warranties**

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in entering into this agreement:

- (a) The Vendor is not a non-resident of Canada within the meaning of that term as used in the *Income Tax Act* (Canada);
- (b) The Purchased Assets remain in the same condition and location as they were at the time of the Purchaser's examination of them, as referred to in paragraph 1.1 above, up until the date on which the Purchaser picks-up the Purchased Assets; and
- (c) The Vendor has the requisite power and authority to enter into and complete the transaction of purchase and sale contemplated hereby and all necessary action will have been taken to authorize the execution and delivery of this Agreement and all documents contemplated hereby.

The Vendor's representations and warranties shall survive the completion of this transaction.

**1.7 Release**

The Purchaser hereby releases, remises and forever discharges the Vendor and all of its respective officers, directors, employees, partners, administrators, successors, assigns, agents, and solicitors (collectively, the "Releasees"), of and from any and all claims and causes of action of every kind and nature whatsoever, whether in law or in equity, whether implied or express, which the Purchaser ever had, now have, or may in the future have against the Releasees in respect of the transaction contemplated in this Agreement.

**1.8** Time shall be of the essence of this Agreement.

**1.9** This Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto.

**1.10** This Agreement, and all documents in connection hereto, constitute the entire Agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings or letters between the parties hereto. There are no representations, warranties, terms, conditions, undertakings or collateral Agreements, express, implied or statutory between the parties other than is expressly set forth in this Agreement.

**1.11** No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both of the parties hereto and no waiver of any breach of any term or provision of this Agreement shall be effective or

binding unless made in writing and signed by the party purporting to give same and, unless otherwise provided, shall be limited to the specific breach so waived.

1.12 This Agreement may not be assigned by the Vendor or the Purchaser without the prior written consent of the other.

1.13 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

1.14 This Agreement may be executed in counterparts and/or by facsimile.

IN WITNESS WHEREOF the parties have executed this Agreement at Brantford, Ontario this \_\_\_ day of November, 2007.

\_\_\_\_\_  
General Fasteners de México

\_\_\_\_\_  
KPMG Inc. in its capacity as Court-  
appointed Receiver of Genfast  
Manufacturing Company

Name:

Name: Brad Newton

"I HAVE AUTHORITY TO BIND THE  
CORPORATION"

"I HAVE AUTHORITY TO BIND THE  
RECEIVER"

**SCHEDULE "C"**

**FULL AND FINAL MUTUAL RELEASE**

**WHEREAS** the Plaintiff, KPMG Inc. in its capacity as Court-appointed Receiver of Genfast Manufacturing Company commenced action number 07-CV-338766 SR in the Ontario Superior Court of Justice against the Defendants, General Fasteners Company and General Fasteners De México (the "Action");

**AND WHEREAS** the parties to this litigation have settled all matters in issue in the Action;

**AND IN FULL CONSIDERATION** for the payment of the sum of **SEVENTY-FOUR THOUSAND, FIFTY-EIGHT DOLLARS AND SEVENTY CENTS (\$74,058.70 USD)** by the Defendant General Fasteners Company to the Plaintiff, all-inclusive of principal, interest and costs, the receipt and sufficiency of which is hereby acknowledged;

**AND IN FULL CONSIDERATION** for the payment of the sum of **TWENTY THOUSAND, SEVEN HUNDRED, SEVENTY-SEVEN DOLLARS AND SIXTEEN CENTS (\$20,777.16 USD)** by the Defendant General Fasteners De México to the Plaintiff, all-inclusive of principal, interest and costs, the receipt and sufficiency of which is hereby acknowledged;

**AND IN FULL CONSIDERATION** of the supply by the Plaintiff of the Purchased Assets as referred to in the respective Bill of Sale, to each of the Defendants, the receipt and sufficiency of which is hereby acknowledged;

**THE PARTIES HERETO** release, acquit and forever discharge one another from any and all manner of actions, causes of action, suits, debts, claims and demands for damages on account of the Defendant General Fasteners Company's obligation to purchase inventory pursuant to the Accommodation Agreement dated March 28, 2007 and the Bill of Sale that it has entered into with the Plaintiff and which is referred to in the Minutes of Settlement;

**AND THE PARTIES HERETO** release, acquit and forever discharge one another from any and all manner of actions, causes of action, suits, debts, claims and demands for damages on account of the Defendant General Fasteners de México's obligation to purchase inventory pursuant to the the Bill of Sale that it has entered into with the Plaintiff and which is referred to in the Minutes of Settlement;

**AND IT IS UNDERSTOOD** that in agreeing to this settlement, and in executing this Full and Final Mutual Release, the parties hereto are concluding and causing to be fully and finally compromised in settlement any claim capable of being asserted by them or by any other party by way of subrogation in respect of the allegations specifically pleaded and any possible defences thereto in respect of the Action and for no other matter.

**AND IT IS HEREBY DECLARED** that the terms of this settlement are fully understood, that the consideration stated herein is the sole consideration for this Full and Final Mutual Release and that the said payment, or promise of payment, is accepted voluntarily for the purpose of

making full and final compromise in settlement of all claims against one another that were pleaded in the Action, now or hereafter brought, for damages, loss or injury resulting from the matters set forth above, and for no other purpose.

**THE PARTIES HEREBY ACKNOWLEDGE** that this Full and Final Mutual Release as well as the other documents referred to in the Minutes of Settlement contain the entire agreement between the parties hereto, that the terms of this Full and Final Mutual Release are contractual, and any breach of these terms may give rise to a damage claim enforceable by a further legal proceeding.

**THE PARTIES ACKNOWLEDGE** that their respective duly authorized signing officer has carefully read and understands this Full and Final Mutual Release, has had the opportunity to seek the advice of a lawyer as to its nature and effect and has executed this Full and Final Mutual Release with knowledge of the consequences thereof.

**THE PARTIES HEREBY AGREE** that this Full and Final Mutual Release will be governed by the Laws of the Province of Ontario and that any dispute arising from this Full and Final Mutual Release will be adjudicated by the Ontario Superior Court of Justice in Toronto, Ontario.

**IN WITNESS WHEREOF** the Parties has hereunto set its hands and seal this \_\_\_ day of November, 2007.

\_\_\_\_\_  
General Fasteners Company  
Name:

"I HAVE AUTHORITY TO BIND THE  
CORPORATION"

\_\_\_\_\_  
General Fasteners de México  
Name:

"I HAVE AUTHORITY TO BIND THE  
CORPORATION"

\_\_\_\_\_  
KPMG Inc. in its capacity as Court-appointed  
Receiver of Genfast Manufacturing Company

Name: Brad Newton

"I HAVE AUTHORITY TO BIND THE  
RECEIVER"

**CONSENT AND RELEASE**

**of LaSalle Business Credit, a division of ABN AMRO Bank N.V. Canada Branch**

**WHEREAS** KPMG Inc. ("KPMG") in its capacity as Court-appointed Receiver of Genfast Manufacturing Company commenced action number 07-CV-338766 SR in the Ontario Superior Court of Justice against General Fasteners Company ("GFC") and General Fasteners De México (the "Action");

**AND WHEREAS** LaSalle Business Credit, a division of ABN AMRO Bank N.V. Canada Branch (the "Lender") entered into an Accomodation Agreement dated March 28, 2007 with KPMG and GFC (the "Accomodation Agreement"), which relates to the matters in issue in the Action;

**AND WHEREAS** the parties to the Action have settled all matters in issue in the Action;

**THE LENDER HEREBY DIRECTS** that the payment of funds referred to in the "Account" provision in the Accomodation Agreement be paid by GFC to KPMG directly and not to the Lender as stated therein;

**AND THE LENDER HEREBY** releases all of its security or other liens in the goods covered by the Accomodation Agreement and further releases, acquits and forever discharges GFC from any and all manner of actions, causes of action, suits, debts, claims and demands for damages on account of GFC's obligation to purchase inventory pursuant to the Accomodation Agreement;

**AND THE LENDER WARRANTS** that it has the power and authority to execute this Consent and Direction.

**THIS CONSENT AND DIRECTION** shall be governed by the Laws of the Province of Ontario and any dispute arising from this Consent and Direction will be adjudicated by the Ontario Superior Court of Justice in Toronto, Ontario.

**IN WITNESS WHEREOF** the Lender has hereunto set its hands and seal this \_\_\_\_ day of November, 2007.

\_\_\_\_\_  
LaSalle Business Credit, a division of ABN  
AMRO Bank N.V. Canada Branch

Name: David Carson

"I HAVE AUTHORITY TO BIND THE LENDER"