

# **EXHIBIT A**



UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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IN RE

Met-Coil Systems Corporation

Chapter 11  
Case No 03-12676

-----X

PROOF OF CLAIM  
EXHIBIT A

1 The undersigned, Adam D Ford, Esq , an attorney at McDermott, Will and Emery, represents Honeywell International, Inc , ("Honeywell") a corporation organized under the laws of Delaware and doing business at 101 Columbia Road, Morristown, New Jersey 07960 Mr Ford is authorized to make this proof of claim on behalf of Honeywell

2 Honeywell is the corporate successor of AlliedSignal, Inc and Baron-Blakeslee, Inc Met-Coil is the corporate successor of the Lockformer company ("Lockformer"), a former subsidiary of Met-Coil that merged into Met-Coil in 2000

3 Lockformer operated a manufacturing facility in Lisle, Illinois, and a spill of chlorinated solvent at this facility by Honeywell's predecessor is alleged to have caused environmental contamination Allegedly based on this spill, federal and state authorities, as well as private plaintiffs, have brought claims against Met-Coil (the "Environmental Litigation") Partly as a result of the Environmental Litigation, Met-Coil has sought Chapter 11 relief In 2000, Met-Coil was acquired by a wholly owned subsidiary of Mestek Mestek is not a debtor in bankruptcy Mestek has been named a defendant in certain claims in the Environmental Litigation

4 In 1991, Lockformer discovered concentrated chlorinated solvent contamination at its Lisle, Illinois facility In 1993, Lockformer sued Honeywell (f/k/a AlliedSignal) seeking cost recovery and a declaratory judgment To resolve the lawsuit, on December 8, 1994, AlliedSignal and Lockformer entered into a Settlement, Release, and Indemnity Agreement (the "Indemnity Agreement") Under the Indemnity Agreement, AlliedSignal paid \$400,000 to Lockformer and agreed to pay Lockformer and additional \$400,000 if Lockformer's costs of investigation and remediation exceeded the first \$400,000 payment In return, Met-Coil and Lockformer agreed to "defend, hold harmless, and indemnify Allied Signal from all claims, demands, damages, expenses, costs, attorneys' fees, actions and liabilities of any kind and nature "

5 The Indemnification Agreement defines "Lockformer" and "Met-Coil" as not only Lockformer and Met-Coil, but also their "parents, subsidiaries, affiliated companies,

predecessors, successors, assigns and joint ventures " See Exhibit B at page 2 Pursuant to the Indemnification Agreement, not only Lockformer and Met-Coil, but also their parents and subsidiaries, are obligated to indemnify and defend Honeywell

6 Lockformer and Met-Coil have been the target of significant litigation, consisting of eleven separate actions arising out of alleged discharge chlorinated solvent contamination from the Lisle facility To date, nine actions have been filed against Met-Coil, Mestek, Lockformer, and Honeywell five are still pending Except as described below, in each of these nine actions, Met-Coil has funded Honeywell's defense costs

7 As of the date hereof, Honeywell has incurred indemnification claims arising under the Indemnity Agreement of not less than \$4,672,243 20, consisting of the following items

- (a) a settlement payment of \$2,400,000 in the Mejdrech litigation,<sup>1</sup>
- (b) a settlement payment of \$1,200,000 in the Schreiber litigation, and
- (c) an aggregate of \$1,072,243 20 for unreimbursed defense costs incurred to date in the Environmental Litigation

8 Honeywell also asserts a claim for costs and expenses incurred both before and after the Filing Date, including all attorneys' fees accrued in collecting amounts due and owing to Honeywell The total amount of such interest, fees, charges, costs, expenses and attorneys' fees cannot, at this time, be reasonably calculated or estimated because (a) Honeywell is continuing to incur fees and expenses in connection with the Environmental Litigation, and (b) given the typical time delay between when legal and consulting services are preformed and when they are billed, Honeywell has not yet been billed for all such services, all of which are subject to indemnification under the Indemnity Agreement Honeywell does not waive its rights to any and all such interest, fees, charges, costs, expenses or attorneys' fees in any amount by not stating a specific figure therefor at this time In addition, Honeywell reserves its right to amend and supplement this proof of claim to include all of such matters

9 A copy of the Indemnity Agreement is attached hereto as Exhibit B The several invoices from legal and consulting services providers are voluminous, and are not thereby filed herewith, but are available upon request

10 This claim is not subject to any valid setoff or counterclaim

11 No security interest is held for this claim

12 This claim is a general unsecured claim

13 In executing and filing this proof of claim, Honeywell does not waive any obligation owed to it or any right or rights of action that it may have against Met-Coil or any

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<sup>1</sup> The Mejdrech and Schreiber settlements are subject to court approval A copy of the settlement agreement is attached as Exhibit C

other person or persons Honeywell reserves the right to amend or supplement this proof of claim in any manner

14 All notices and communications concerning this proof of claim should be addressed as follows

Stephen B Selbst, Esq  
Adam D Ford, Esq  
McDermott Will & Emery  
50 Rockefeller Plaza  
New York, NY 10020

Date November 13, 2003

McDermott, Will & Emery

By \_\_\_\_\_  
Adam D Ford, Esq

Penalty for Presenting Fraudulent Claim Fine of not more than \$5,000 or imprisonment for not more than 5 years or both--Title 18, U S C , § 152

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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IN RE

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PROOF OF CLAIM  
EXHIBIT B

SETTLEMENT, RELEASE AND INDEMNITY AGREEMENT

SETTLEMENT, RELEASE AND INDEMNITY AGREEMENT

This Settlement, Release and Indemnity Agreement ("Agreement") is entered into between The Lockformer Company ("Lockformer"), its parent, Met-Coil Systems Corporation ("Met-Coil"), and AlliedSignal Inc. ("AlliedSignal") as of the date executed by all parties hereto.

Recitals

WHEREAS, Lockformer filed a lawsuit against AlliedSignal on March 31, 1993, in the United States District Court for the Northern District of Illinois, Eastern Division, entitled The Lockformer Company v. AlliedSignal Inc., No. 93 C 1934 ("the Lawsuit") alleging, inter alia, that AlliedSignal is liable to Lockformer for investigation and remediation costs relating to alleged contamination of soil and groundwater at Lockformer's property at 711 Ogden Avenue, Lisle, Illinois ("the Property").

WHEREAS, AlliedSignal has answered the complaint in the Lawsuit and has denied all liability, and continues to deny all liability;

WHEREAS, Lockformer, Met-Coil and AlliedSignal have engaged in settlement negotiations and now desire to settle and compromise all disputes and all claims arising out of the lawsuit and all claims between AlliedSignal and Lockformer, that Lockformer and/or Met-Coil had, have, or may have in the future, against AlliedSignal, which relate to the Property.

Definitions

AlliedSignal: As used in this Agreement, the term "AlliedSignal" shall mean AlliedSignal Inc. and Baron-Blakeslee, Inc., and their parents, subsidiaries, affiliated



companies, predecessors, successors and assigns, joint ventures, and all of their employees, agents, consultants, insurers, attorneys, officers and directors.

Lockformer: As used in this Agreement, the term "Lockformer" shall mean The Lockformer Company, and its parents, subsidiaries, affiliated companies, predecessors, successors, assigns and joint ventures.

Met-Coil: As used in this Agreement, the term "Met-Coil" shall mean Met-Coil Systems Corporation and its parents, subsidiaries, affiliated companies, predecessors, successors, assigns and joint ventures.

#### Agreement

NOW, THEREFORE, in consideration of the above recitals and covenants and promises of Lockformer, Met-Coil and AlliedSignal, as set forth herein, the parties agree as follows:

A. Lockformer and Met-Coil, and their respective officers, directors, shareholders, and employees hereby and forever release, acquit and discharge AlliedSignal from all claims, demands, damages, expenses, costs, attorneys' fees, actions and liabilities of any kind and nature, known or unknown, past, present or future, for or because of any matter or thing done or omitted, alleged to have been done or omitted, or suffered to be done or omitted by AlliedSignal and related to the following: any and all transactions, events or claims alleged in the complaint or



pleadings on file in the lawsuit any and all claims of property insurance benefits (whether or not subrogated); any and all claims, including but not limited to personal injury and property damage, arising out of or related to the sale, use, delivery, repair or replacement of any TCE storage tank or related stand pipes; the sale, delivery, use or disposal of trichloroethylene ("TCE") or components containing TCE at the Property; any and all soil, air, water, or groundwater contamination or impact, personal injury, property damage, business interruption or lost business of any kind caused or related to, or alleged to have been caused or related to TCE, or any other compounds containing TCE.

B. Lockformer and Mat-Coil agree to defend, hold harmless, and indemnify AlliedSignal from all claims, demands, damages, expenses, costs, attorneys' fees, actions and liabilities of any kind and nature, whether known or unknown, past, present, or future, whether threatened or brought by any person or entity, private, governmental, or otherwise regardless of whether any such claims, demands, damages, expenses, costs, attorneys' fees, actions, or liabilities arise from, purport to arise from, or are caused by, negligence, alleged negligence, strict liability, alleged strict liability, or other act or omission on the part of AlliedSignal, (including but, not limited to, the sole, joint or concurrent negligence, acts or omissions of AlliedSignal) that have been or may be brought against AlliedSignal by any person or entity seeking compensation for damages or other relief from AlliedSignal, as a result of any and all transactions, events or claims alleged

in the complaint and pleadings to the lawsuit; any and all claims, including but not limited to personal injury and property damage, arising out of or related to the sale, use, repair, delivery or disposal of any storage tank and related equipment; the sale, delivery, use, storage, removal or disposal of any TCE or compounds containing TCE; and/or any and all soil, air, water or groundwater contamination or impact, personal injury, property damage, business interruption or lost business, caused by or related to, or alleged to have been caused by or related to TCE.

C. Upon execution of this Agreement, AlliedSignal agrees to pay \$400,000 ("Payment") to Lockformer. AlliedSignal also agrees to arrange for an irrevocable standby letter of credit (issued by a bank acceptable to Lockformer, such acceptance not to be unreasonably withheld) to the order of Lockformer, to issue in the amount of \$400,000 ("Letter of Credit") to guarantee AlliedSignal's obligation under Section D below. Such Letter of Credit may provide that it shall be automatically extended for additional periods each of one (1) year from its present or any future expiration date, unless at least sixty (60) calendar days prior to the then relevant expiration date the issuing bank notifies Lockformer that it has elected not to renew the Letter of Credit. In the event such notice of non-renewal is given, AlliedSignal shall obtain a new Letter of Credit issued by a bank acceptable to Lockformer (such acceptance not to be unreasonably withheld) unless at such time AlliedSignal's obligation under Section D below shall have been satisfied.

D. At any time, Lockformer may present AlliedSignal with a "Second Payment Letter" which may be either: 1. a letter bearing the notarized signature of the chief executive officer of Lockformer representing that the Payment has been expended and used exclusively for investigation and remediation of the Property or; 2. a Section 4(y) letter from the IEPA averring that the remediation of the Property is complete. Within ten (10) business days of the receipt of the Second Payment Letter, AlliedSignal will pay to Lockformer \$400,000 (the "Second Payment"). Within ten (10) business days of making the Second Payment to Lockformer, AlliedSignal will pay to Lockformer an amount equal to interest on \$400,000, calculated at the commercial paper rate for high grade unsecured notes thirty (30) days, less one (1) percent, as published by The Wall Street Journal on the date of execution of this Agreement, for the period which elapsed between the Payment and the Second Payment.

1. Lockformer will send copies of the Second Payment Letter to the following:

- a) General Counsel  
AlliedSignal Inc.  
Box 2245R  
Morristown, NJ 07962-2245
- b) Carolyn J. Horn  
Assistant General Counsel  
AlliedSignal Inc.  
Box 2245R  
Morristown, NJ 07962-2245
- c) Robert L. Shuftan, Esq.  
Wildman, Harrold, Allen & Dixon  
225 W. Wacker Drive  
Chicago, IL 60606-1229

d) H. Roderic Heard, Esq  
Wildman, Harrold, Allen & Dixon  
225 W. Wacker Drive  
Chicago, IL 60606-1229

E. Should AlliedSignal refuse or fail to pay the Second Payment to Lockformer within ten (10) business days of receipt of the Second Payment Letter, Lockformer shall be entitled to draw upon the Letter of Credit. Lockformer's sole pre-condition for payment under the Letter of Credit shall be the presentment of a letter bearing the notarized signature of the chief executive officer of Lockformer and stating that Lockformer has presented the Second Payment Letter to AlliedSignal and that AlliedSignal has not paid the Second Payment to Lockformer within ten (10) business days after its receipt of the Second Payment Letter. Should payment under the Letter of Credit be required, within ten (10) business days after payment under the Letter of Credit, AlliedSignal will pay to Lockformer an amount equal to the interest on \$400,000, at the commercial paper rate for high grade, unsecured notes, thirty (30) days less one (1) percent, as published by The Wall Street Journal on the date of execution of this Agreement, for the period elapsed between the Payment and Lockformer's drawing upon the Letter of Credit.

F. As a condition for AlliedSignal's performance, Lockformer agrees to use the Payment and to the extent necessary, the Second Payment (or the proceeds from the Letter of Credit, as the case may be) solely to investigate and remediate the Property until Lockformer secures a Section 4(y) letter from the IEPA or expends

fully the Payment and Second Payment attempting to receive the Section 4(y) letter. Lockformer further agrees to:

1. Submit the Property to the IEPA and participate in cleanup of the Property through the IEPA Pre-Notice Site Program, and
2. Diligently investigate and remediate the Property, as necessary, to qualify for a Section 4(y) letter from IEPA.

G. Lockformer and AlliedSignal agree to execute a stipulation for dismissal with prejudice of the Lawsuit, with each party to bear its own costs and fees.

H. Lockformer and AlliedSignal agree to request that the court retain jurisdiction over the Lawsuit for the purposes of enforcing this Agreement. If the court is unwilling to retain jurisdiction (and dismisses the case with leave to reinstate), either party may petition the court to enforce this Agreement, after providing notice to all counsel presently of record.

I. Lockformer will provide AlliedSignal with access to all publicly available files and all correspondence and submissions to or documents received from IEPA and submissions to IEPA and responses from IEPA related to the Property.

J. Lockformer will immediately provide AlliedSignal with a copy of any Section 4(y) letter upon receipt from the IEPA.

K. Lockformer, Met-Coil and AlliedSignal shall keep the terms of this Agreement confidential and shall not disclose or divulge this Agreement or its terms to any person or entity other than the

parties to this action or their attorneys This shall not prevent disclosure to Lockformer's, Met-Coil's or AlliedSignal's owners, agents, accountants or potential purchasers or any governmental agency as may be necessary in the ordinary course of AlliedSignal's, Met-Coil's or Lockformer's business.

L. Lockformer and Met-Coil further agree that they will not assist any private person or private entity that is currently pursuing, or that may pursue, any claims, demands, or actions against AlliedSignal. This provision shall not impair any legal obligation of Lockformer to respond to any court ordered discovery seeking information about this Lawsuit, its settlement or any of the underlying facts. In the event that Lockformer or Met-Coil is served with any discovery request related to the Lawsuit or this Agreement, Lockformer or Met-Coil shall provide written notice to AlliedSignal at Box 2245R, Morristown, NJ 07962-2245, Attention: Carolyn Horn, Assistant General Counsel, prior to the filing of any response or production of documents.

M. Lockformer will stipulate with AlliedSignal to a finding by the court of nonliability of AlliedSignal under Section 107 of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") 42 U.S.C. § 9607.

N. Lockformer, Met-Coil and AlliedSignal hereby agree to the special considerations which follow:

1. Any obligation to pay any losses, damages, attorneys' fees, costs or expenses incurred or to be incurred by Lockformer is denied by

AlliedSignal, and this final compromise and settlement hereof shall not be treated as an admission of liability or responsibility by AlliedSignal at any time for any purpose, such liability having been and continuing to be expressly denied by AlliedSignal.

2. This Agreement may be executed in one or more counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which taken together shall constitute one in the same instrument.
3. This Agreement is entered into for the express benefit of Lockformer, Met-Coil and AlliedSignal and is not intended and shall not be deemed to create any rights or interests whatsoever in any third person, including without limitation, any right to enforce the terms hereof.
4. Each provision of this Agreement shall be interpreted in a manner as to be valid and enforceable under applicable law, but if any provision hereof shall be or become prohibited or invalid under any applicable law, that provision shall be ineffective only to the extent of such prohibition or invalidity without thereby invalidating the remainder of that provision or any other provision hereof.

5. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.
6. AlliedSignal, Lockformer and Met-Coil hereby expressly agree to waive any and all provisions of the Illinois Anti-Indemnity Act, 740 ILCS 35/1, which are or may be applicable to this Agreement.
7. This Agreement constitutes the entire agreement by and among the parties hereto and integrates and supersedes all prior understandings or agreements with respect to its subject matter, including but not limited to "Terms For Settlement Agreement: Lockformer/AlliedSignal Litigation" dated October 12, 1994.
8. This Agreement may not be altered, amended, modified or otherwise changed except in writing, duly executed by authorized representatives of all the parties hereto.
9. Each party executing this Agreement represents that it has been represented by counsel of its own choosing regarding the preparation and negotiation of this Agreement and all matters and claims set forth herein and that each of them has read this Agreement and is fully aware of the contents hereof and its legal effect.
10. If any dispute should arise with respect to this



reement, the prevailing party in any ensuing litigation or controversy shall be entitled to all costs of enforcement including reasonable attorneys' fees.

O. Within thirty days of the execution of this Agreement by the parties, AlliedSignal and Lockformer will file with the court a stipulation to dismiss, proposed finding of nonliability and request for dismissal with prejudice of the Lawsuit, each side to bear its own costs and attorneys' fees.

IN WITNESS WHEREOF, this Agreement is executed and agreed to by the following, as of the last date set forth below.

AGREED AND ACCEPTED:

Dated: December 6, 1994

*X. Sol Del Vecchio*  
\_\_\_\_\_  
THE LOCKFORMER COMPANY  
PRESIDENT

Dated: December 6, 1994

*X. Sol Del Vecchio*  
\_\_\_\_\_  
MET-COIL SYSTEMS CORPORATION  
Vice President

Dated: December     , 1994

\_\_\_\_\_  
ALLIEDSIGNAL INC.

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PAGE 812

Agreement, the prevailing party in any ensuing litigation or controversy shall be entitled to all costs of enforcement including reasonable attorneys' fees.

O. Within thirty days of the execution of this Agreement by the parties, AlliedSignal and Lockformer will file with the court a stipulation to dismiss, proposed finding of nonliability and request for dismissal with prejudice of the Lawsuit, each side to bear its own costs and attorneys' fees.

IN WITNESS HEREOF, this Agreement is executed and agreed to by the following, as of the last date set forth below.

AGREED AND ACCEPTED:

Dated: December \_\_\_\_\_, 1994

\_\_\_\_\_  
THE LOCKFORMER COMPANY

Dated: December \_\_\_\_\_, 1994

\_\_\_\_\_  
MET-COIL SYSTEMS CORPORATION

Dated: December 8, 1994

Paul M. Gath  
\_\_\_\_\_  
ALLIEDSIGNAL INC.

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

-----X

IN RE

Met-Coil Systems Corporation

Chapter 11  
Case No 03-12676

-----X

PROOF OF CLAIM  
EXHIBIT C

MEJDRECH/SCHREIBER SETTLEMENT AGREEMENT

**VARGA BERGER LEDSKY HAYES & CASEY**  
A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW

SANTA FE BUILDING  
224 SOUTH MICHIGAN AVENUE  
SUITE 850  
CHICAGO ILLINOIS 60604-2807  
TELEPHONE 312-341-9400  
FACSIMILE 312-341-2900

September 4, 2003

NORMAN F. BERGER  
(312) 341-9270  
nberger@vbllc.com

VIA FACSIMILE

H. Rodenc Heard  
Wildman Harrold Allen & Dixon  
225 West Wacker Drive  
Suite 3000  
Chicago, Illinois 60606-1229

Re: Majdrecht v Honeywell, et al.  
Schreiber v. Honeywell, et al.

Dear Mr. Heard:

This letter confirms the agreement we reached today to settle the claims my clients (the named plaintiffs and class in the Majdrecht suit and Anne Schreiber in the Schreiber suit) have asserted against your client, Honeywell International, Inc. ("Honeywell"). The parties agree that this letter is for settlement purposes, may not be used as evidence except in an action to enforce the terms of this agreement, and is not to be otherwise considered as an admission as to any issue by any party. We have agreed to settle these claims on the following terms.

1 Honeywell shall pay Two Million Four Hundred Thousand (\$2,400,000.00) to the Majdrecht plaintiffs and class, and One Million Two Hundred Thousand (\$1,200,000.00) to Anne Schreiber in full and complete satisfaction of all claims, including claims for attorneys' fees and expenses, that the Majdrecht plaintiffs and class and Anne Schreiber have asserted against Honeywell. These settlements are contingent upon confirmation of the Plan of Reorganization ("the Plan") in the pending bankruptcy case of Met-Coil Systems Corporation (containing the settlement provisions, including the settlement amounts, specified in Paragraph 1 of the August 29, 2003 letter agreement between my clients and Mestek and Met-Coil). A copy of this August 29, 2003 letter agreement was filed with the court yesterday in the Majdrecht matter and served upon you. In the event the Plan is not confirmed, either party may terminate this agreement, and in such event all parties retain all rights, claims and defenses existing prior to the execution of this agreement. Plaintiffs' settlement with Honeywell of the Majdrecht case is also contingent on Rule 23 court approval by Judge Lainenweber.

2 Honeywell agrees that it will not object to, oppose or interfere in any way with court approval of any aspect of the Plan concerning the Met-Coil/Mestek settlements with the Majdrecht plaintiffs and with Anne Schreiber. Notwithstanding the foregoing, Honeywell reserves all rights, claims, and objections to the Plan that affect any and all claims, rights or obligations under or related to the Settlement, Release and Indemnity Agreement dated December 6, 1994, against Met-Coil.

Lockformer, Mertek or their affiliates. Nothing in this agreement shall be construed to waive, limit or release any contractual indemnity claims Honeywell may have against Lockformer, Mer-Coll and/or Merstek or their affiliates

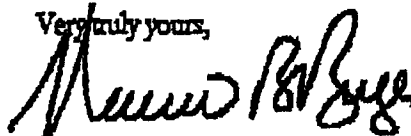
3. Counsel for Plaintiffs and Honeywell shall immediately and jointly contact Judge Leinenwaber to advise him of the terms of this settlement as to the Mejdrech action and to jointly request that the September 8, 2003 trial date in the Mejdrech action be stricken. The parties further agree to jointly inform Judge Zagel in the Schreiber case concerning the terms of this agreement and shall jointly request a stay of proceedings as between these parties pending bankruptcy court confirmation of the Plan.

4. This settlement is subject to good faith findings and an order barring any contribution and indemnity claims against Honeywell in the Mejdrech and Schreiber suits, as well as the dismissal with prejudice and without costs of the plaintiffs' claims in the suits

While additional paperwork (including class settlement materials) will follow, these are the material terms of our agreements and we agree that these agreements are now binding and enforceable.

Please sign and date below to acknowledge your client's acceptance of these settlement terms.

Very truly yours,



Norman B. Berger  
Counsel for the Mejdrech Plaintiffs and Class  
Counsel for Anne Schreiber

AGREED AND ACKNOWLEDGED

HONEYWELL INTERNATIONAL, INC.

By



H. Rodenc Heard

Counsel for Honeywell International, Inc.