

THIS FORM AND ATTACHMENTS MUST BE FILED IN DUPLICATE

**UNITED STATES BANKRUPTCY COURT
IN THE EASTERN DISTRICT OF MICHIGAN
(DETROIT)**

**PROOF OF CLAIM
Chapter 11**

In Re
Tax ID No **38-0768460**

Case Number **04-74386**

Name of Debtor (Specify Debtor Name)
Lobdell Emery Corporation

Case Number (Specify Case Number)

NOTE This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. §503.

Name of Creditor
(The person or other entity to whom the debtor owes money or property)
**Chase Equipment Leasing, Inc., successor by merger to
Banc One Leasing Corp. successor by merger to NBD Leasing, Inc
1111 Polaris Parkway, Ste A-3
Columbus, OH 43240-2050
Tax ID No 31-0903739**

- ☐ Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
- ☐ Check box if you have never received any notice from the bankruptcy court in this case.
- ☐ Check box if the address differs from the address on the envelope sent to you by the court.

If address differs from above, please complete the following:
Creditor Name

Telephone No **(614) 248-6056**

ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES
DEBTOR **10000 83306**

Check here if this claim: ☐ replace a previously filed claim dated _____
☐ amends

1 BASIS FOR CLAIM

- ☐ Goods Sold
☐ Services performed
☐ Money loaned
☐ Personal injury/wrongful death
☐ Taxes

- ☐ Retiree benefits as defined in 11 U.S.C. §1114(a)
☐ Wages, salaries, and compensation (Fill out below):
Last four digits of SS#: _____
Unpaid compensation for services performed from _____ to _____ (date) (date)

☒ Other (Describe briefly): **Lease of personal property**

2 DATE DEBT WAS INCURRED
5/20/93, 9/1/93, 8/26/94

3 IF COURT JUDGMENT DATE OBTAINED **N/A**

4 Total Amount of Claim at Time Case Filed **Unknown** **\$ To be determined**

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges. **Amount/type of claim not yet determined. This proof is subject to amendment by Claimant.**

5 Secured Claim

6 Unsecured Priority Claim

- * ☐ Check this box if your claim is secured by collateral (including a right of setoff). *
Brief description of Collateral:
☐ Real Estate ☐ Motor Vehicle
☐ Other

Value of Collateral: **\$ Unknown, subject to amendment**

Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____
Secured claim, only if determined to be so by Court Order or post-petition agreement of the parties.

- ☒ Check this box if you have an unsecured priority claim. Amount entitled to priority: **\$ Unknown, depending on post-petition use by Debtor**

- Specify the priority of the claim:
☐ Wages, salaries, or commissions (up to \$4,650) earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507(a)(3)
☐ Contributions to an employee benefit plan - 11 U.S.C. §507(a)(4)
☐ Up to \$2,100 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507(a)(6)
☐ Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. §507(a)(7)
☐ Taxes or penalties of governmental units - 11 U.S.C. §507(a)(8)
☒ Other - Specify applicable paragraph of 11 U.S.C. §507(a)(1)

7 Credits The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8 Supporting Documents Attach copies of supporting documents such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of documents are voluminous; attach a summary.

9 Date-Stamped Copy To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

Date
1/11/05

Sign and print the name and title, if any, of the creditor or other person
Authorized to file this claim (attach copy of power of attorney, if any)

Joseph A. Giampapa, Attorney and Agent for Chase Equipment Leasing, Inc.

THIS SPACE IS
FOR COURT USE
ONLY

FILED

JAN 12 2005

BMC

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.



MASTER LEASE AGREEMENT

BETWEEN

REPUBLIC FINANCIAL CORPORATION,
a Colorado corporation,

AND

LOBDELL-EMERY MANUFACTURING COMPANY
a Michigan corporation,

Master Lease No M-10572

Dated May 20, 1993

TABLE OF CONTENTS

<u>Paragraph Number</u>		<u>Page</u>
1	Nature of Master Agreement	1
2	Lease	1
3	Purchase Order	1
4	Acceptance of Equipment	1
5	Payment of Rent	1
6	Possession and Use	1
7	Title and Fixtures	2
8	Financing Statements	2
9	Liens and Other Interests	2
10	Location	2
11	Maintenance and Repairs	2
12	Alterations and Accessions	3
13	Manufacturers' Liabilities	3
14	Manufacturers' Warranties	3
15	Inspections and Labeling	3
16	Extended Term	4
17	Return of Equipment	4
18	Taxes	4
19	Equipment Loss	4
20	Insurance	5
21	Lessor's Warranties	6
22	Lessee's Warranties	6
23	Disclaimers	7
24	Indemnities	7
25	Events of Default	7
26	Lessor's Right To Cure	8
27	Interest and Costs	8
28	Remedies	8

29	Refund of Damages Paid	8
30	Liquidation of Damages	9
31	Assignments, Subleases, and Encumbrances	9
32	Amendments	10
33	Terminations	10
34	Applicable Law, Venue, And Jurisdiction	10
35	Severability	10
36	General Provisions .	10

MASTER LEASE AGREEMENT

This master lease agreement (this "Master Agreement") is made by Republic Financial Corporation ("Lessor") a Colorado corporation, and the person ("Lessee") named and signing as Lessee on the last page hereof

1 Nature of Master Agreement This Master Agreement sets forth the common provisions for each future equipment lease (the "Equipment Lease") between Lessor and Lessee that incorporates this Master Agreement by reference. Each Equipment Lease is autonomous. This Master Agreement is to be given meaning with respect to each Equipment Lease independently of each other Equipment Lease.

2 Lease As is set forth herein and in the Equipment Lease, Lessor leases to Lessee the personal property, together with (if applicable) all cables, attachments, accessories, power supplies, instruction and use manuals, packing materials and operating systems (the "Equipment") described in the Equipment Schedule attached to the Equipment Lease.

3 Purchase Order Lessee will assign to Lessor, free of encumbrances, its purchase order, or, if none, Lessor will issue its purchase order, for the Equipment. The term of the Equipment Lease will commence upon such assignment or issuance of the purchase order (the "Purchase Order") or upon Lessor sooner acquiring title to the Equipment. If the Equipment has not been delivered to, and accepted by, Lessee within either 60 days after the date of the Equipment Lease or 30 days after the delivery date specified in such Purchase Order, Lessor may terminate the Equipment Lease at any time. Upon such termination, Lessor will assign the Purchase Order to Lessee, and Lessee will reimburse Lessor for all money paid pursuant to the Purchase Order and will indemnify Lessor and Secured Party (hereinafter defined) against all claims, liabilities, losses, damages, costs, and expenses, including attorney fees, arising with respect to the Purchase Order or the Equipment. Lessor will not be responsible for arranging the shipping, unloading, installing, or testing of the Equipment.

Lessee hereby irrevocably appoints Lessor its attorney-in-fact (with full power of substitution) to insert in any document the actual costs, serial numbers, and further descriptions of the Equipment.

4. Acceptance of Equipment Lessee will inspect and test the Equipment upon its delivery to Lessee. Within 5 days after the Equipment is delivered to Lessee, Lessee either will give Lessor notice that the Equipment is defective, nonconforming to the Purchase Order, or otherwise unacceptable or will unconditionally accept the Equipment and sign and deliver to Lessor a certificate of acceptance (a "Certificate of Acceptance") in the form and at the time requested by Lessor. Until a Certificate of Acceptance is received by Lessor, the Equipment will be deemed to be unacceptable to Lessee.

5 Payment of Rent Rent will commence on the date of the Certificate of Acceptance and continue until the expiration of the term of the Equipment Lease. Rent will be prorated from the date of the Certificate of Acceptance to the Rent Commencement Date, which will be the first day of the calendar month on or after the date of the Certificate of Acceptance. Lessee will pay Lessor or its assigns all rent and all taxes thereon in advance, without notice or demand, on the first day of each calendar month (except for any initial, prorated payment, which will be paid on the Rent Commencement Date), in full and under all circumstances, without any defense, offset, or counterclaim. All such rent and taxes will be paid at the address of Lessor or such other place as Lessor may direct Lessee in writing.

No deposit, advance payment of rent, or other payment of any kind by Lessee will bear interest or require segregation from the general funds of Lessor.

6 Possession and Use So long as no Event of Default (hereinafter defined) has occurred (but not thereafter), Lessee will be entitled to, and will maintain, the possession of the Equipment, subject to the provisions of the Equipment Lease, from the date of the Certificate of Acceptance until the expiration of the term of the Equipment Lease.

Lessee will use the Equipment only for its intended use and purpose, will allow only competent and qualified personnel to use or operate the Equipment, and will use and operate the Equipment (A) only in accordance with the instructions, requirements, and recommendations of the manufacturers and vendors of the Equipment, (B) so as not to impair or void any warranties pertaining to the Equipment, (C) so as not to violate any requirement, limitation, or prohibition of any maintenance agreement or insurance policy pertaining to the Equipment, (D) in accordance with all laws, ordinances, rules, regulations, and requirements of every governmental authority having jurisdiction over the same, and (E) in accordance with the customary standards of Lessee and the industry of Lessee

Lessee will pay all costs, expenses, fees, taxes, and charges of every nature pertaining to the possession, use, and operation of the Equipment

7 Title and Fixtures Title to the Equipment will be and remain in Lessor Lessee will not acquire, or be deemed to have acquired, any right, title, or interest in the Equipment (including any equitable interest or interest in proceeds) by virtue of the Equipment Lease After a termination of the term of the Equipment Lease, Lessee will not have any right to regain possession of the Equipment or any right of redemption with respect to the Equipment or the Equipment Lease

Any item of Equipment subject to titling or registration laws will be titled and registered to Lessor by Lessee, at Lessee's instigation and expense Lessee will provide Lessor with all titles, registrations, and other documents pertaining thereto, as requested by Lessor

Notwithstanding the location of any item of the Equipment on, or of the attachment of any item of the Equipment to, any real property, each item of the Equipment will be, and will be deemed to be, personal property and not a fixture with respect to such real property Upon the request of Lessor or any secured party ("Secured Party") of Lessor, Lessee will obtain for it real estate waivers, in the form and from whomsoever requested

8 Financing Statements Lessee will promptly sign and deliver all financing statements, notices, and other documents requested by Lessor or Secured Party, disclosing, evidencing, or effectuating Lessor's ownership of, or Secured Party's security interest in, or other encumbrance on, the Equipment and the Equipment Lease Lessee will reimburse Lessor and Secured Party for all filing and recording costs related thereto

Lessee hereby irrevocably appoints Lessor its attorney-in-fact (with full power of substitution) to sign, file, and record for, and in the name of, Lessee any financing statements concerning the Equipment and the Equipment Lease and assignments of, and continuation statements for, such financing statements, at the sole cost of Lessee

9 Liens and Other Interests Lessee will keep the Equipment free and clear of all ownership interests adverse to Lessor and all levies, liens, security interests, encumbrances, and restrictions of every nature whatsoever and of all claims thereof, except for those granted by, or arising under, Lessor and for the Equipment Lease

10 Location Lessee will cause the Equipment to be delivered to, and remain at, the equipment location specified in the Equipment Schedule to the Equipment Lease, until its return to Lessor Provided, if Lessee gives at least 30 days prior written notice thereof to Lessor and Secured Party and first files and records, as is appropriate, all financing statements, real estate waivers, and other documents prudent or necessary to disclose and protect Lessor's paramount ownership interest in the Equipment and Secured Party's security interests in, and other encumbrances on, the Equipment, then, Lessee may move the Equipment to any new location in the United States of America where the Uniform Commercial Code is applicable law

11 Maintenance and Repairs At its own cost, Lessee will keep, maintain, repair, and replace the Equipment (A) so that, at all times, the Equipment is in good and efficient working order, condition repair, and appearance and is maintained, repaired and replaced in accordance with the instructions requirements, and recommendations of the manufacturers and vendors of the Equipment,

(B) so as not to impair or void any warranties pertaining to the Equipment, (C) so as not to violate any requirement, limitation, or prohibition of any maintenance agreement or insurance policy pertaining to the Equipment, (D) in accordance with all laws, ordinances, rules, regulations, and requirements of every governmental authority having jurisdiction over the same, and (E) in accordance with the customary standards of Lessee and the industry of Lessee

To the extent that the Equipment is of a type that a maintenance agreement is customarily available whereby a manufacturer or vendor agrees to maintain and repair the Equipment, then, at all times prior to the delivery to, and the acceptance by, Lessor of the Equipment after a termination of the term of the Equipment Lease, Lessee will maintain, at its own cost, such a maintenance agreement with the manufacturer or vendor of the Equipment. Upon the request of Lessor, Lessee will deliver to Lessor a copy of such maintenance agreement and the written agreement of the vendor thereunder not to cease performing its obligations thereunder for any reason, without giving Lessor at least 30 days prior written notice. Everything, whether tangible, provided pursuant to any maintenance agreement will be an accession to the Equipment, and Lessee warrants that title thereto will immediately vest in Lessor free and clear of all liens, security interests, encumbrances, and ownership interests of others. Provided, in lieu of such manufacturer or vendor, Lessee may obtain such maintenance agreement from a capable third party who is not the manufacturer or vendor of the Equipment, so long as such third party agrees, as part of such maintenance agreement, that the Equipment will be in a condition at the end of such maintenance agreement such that the manufacturer or vendor of the Equipment will accept the Equipment, at no more than its usual compensation, for maintenance under its standard maintenance agreement, without additional maintenance, repairs, or replacements being first done to the Equipment.

Lessee will keep and maintain current all instructions, warranty books, written maintenance records, manuals, logs, and other similar items (collectively, the "Logs") pertaining to the Equipment, as required by, or originally supplied by, such manufacturer or vendor, by any maintenance agreement, any insurance policy, or any governmental authority. And, the Logs will be deemed to be a part of the Equipment.

12 **Alterations and Accessions** Lessee will not make any alterations to the Equipment. At its own cost and risk, Lessee may make additions to the Equipment so long as they, or their removal or disconnection, do not impair the utility, function, appearance, or value of, or cause damage to, the Equipment and do not cause any lien, security interest, encumbrance, or ownership interest to arise in favor of any person with respect to the Equipment. At the end of the term of the Equipment Lease, Lessee will remove all such additions and will repair all damage to the Equipment resulting from the attachment, use, operation, or removal of such additions. Any addition made to, or not removed from, the Equipment contrary to the foregoing will be an accession, and Lessee warrants that it thereupon will be the property of Lessor, free and clear of all liens, security interests, encumbrances, and ownership interests of others.

13 **Manufacturers' Liabilities** Lessee acknowledges that Lessor is not the manufacturer or supplier of the Equipment and is not a dealer in equipment of any kind, that the Equipment is of a type, style, size, design, capacity, manufacture, and cost selected solely by Lessee, and that the vendor from whom Lessor is to purchase the Equipment was selected solely by Lessee.

14 **Manufacturers' Warranties** So long as no Event of Default (hereinafter defined) has occurred, but not otherwise, Lessee will be the nonexclusive agent of Lessor to prosecute, at the sole cost and risk of Lessee, all claims or actions with respect to any warranties concerning the Equipment made to Lessor by the manufacturers or vendors of the Equipment. Lessee hereby assigns to Lessor all warranties now or hereafter made to Lessee by any manufacturer or vendor of the Equipment or any vendor under any maintenance agreement, provided, such warranties will be held jointly and may be enforced by either Lessor or Lessee. Lessee will diligently enforce all such warranties.

15 **Inspections and Labeling** Upon the request of Lessor or Secured Party, Lessee will provide reasonable access to the Equipment for the purpose of Lessor or Secured Party (or their respective representatives) inspecting and testing the Equipment.

Upon the request of Lessor or Secured Party, Lessee will cause each item of the Equipment to be and remain visibly marked with labels supplied by Lessor or Secured Party, reflecting Lessor as the owner of the Equipment and Secured Party as the holder of a security interest in, or other encumbrance on, the Equipment. Lessee will not permit or suffer any other such labels on the Equipment.

16 **Extended Term** The initial unextended term of the Equipment Lease will automatically extend for 24 calendar months unless, at least 18 full calendar months before the expiration of such unextended term, Lessee (A) delivers to Lessor written notice that such unextended term is not to automatically extend for 24 calendar months, (B) timely and duly exercises its option (if any) to extend such unextended term of the Equipment Lease, or (C) timely and duly exercises its option (if any) to purchase all of the Equipment as of the end of such unextended term.

Any extended term of the Equipment Lease will automatically extend for consecutive 6 calendar month periods, until Lessor or Lessee gives the other written notice to the contrary at least 6 full calendar months prior to the then set expiration of the term of the Equipment Lease. Provided, there will be no more than 6 such extensions.

If Lessee fails to return the Equipment as is provided for herein, Lessor has the option to extend the term of the Equipment Lease on a month to month basis through the calendar month during which the Equipment is so returned to Lessor. Lessor need not give Lessee notice of any such extension.

During any extension of the term of the Equipment Lease under this paragraph 16, the rent will remain the same as is set forth in the paragraph entitled "Rent" in the Equipment Lease.

17 **Return of Equipment** At the end of the term of the Equipment Lease, Lessee will appropriately dismantle and pack the Equipment for shipping to Lessor by a common carrier, will load the Equipment upon such carrier for delivery unloaded at any location within the continental United States of America designated by Lessor, will prepay all costs, expenses, fees, and taxes associated with the foregoing, and will cause the Equipment (including warranty books, instruction manuals originally supplied by manufacturer or vendor and maintenance records) to be delivered to such location within 20 days following the end of such term.

Provided, if and to the extent requested by Lessor, Lessee will delay such delivery of the Equipment for up to 60 days, and, during such period of delay, Lessee will suitably store the Equipment at the location specified in the Equipment Schedule to the Equipment Lease or such other location as the Equipment may have been moved to, in accordance with the Equipment Lease.

18 **Taxes** Lessee will pay all taxes, assessments, and levies pertaining to the Equipment (including, but not by way of limitation, the ownership, location, or leasing of the Equipment), any transfers thereof pursuant to the Equipment Lease, the Equipment Lease, and any amounts payable pursuant to the Equipment Lease (except for taxes measured by the net income of Lessor and, to the extent Lessee has paid the same to Lessor, sales and use taxes based on rent). Lessee will prepare and file the declarations and returns for all such taxes, assessments, and levies. Lessee will deliver copies of such declarations and returns to Lessor and will pay all such taxes, assessments, and levies, at least 30 days before such payment is due.

19 **Equipment Loss** Until the Equipment has been received and accepted by Lessor after the term of the Equipment Lease, all risks of loss with respect to the Equipment will be borne by Lessee, including, but not by way of limitation, any loss, damage, destruction, theft, taking under the right of eminent domain, seizure, or confiscation of the Equipment, or any part or use thereof or interest therein. The occurrence of any event constituting such risk of loss ("Event of Loss") will not relieve Lessee of its liabilities and obligations under the Equipment Lease or delay the time for the payment or performance thereof, including, but not by way of limitation, the timely payment of rent, except as is specifically provided for herein.

Upon the occurrence of any such Event of Loss at the sole cost of Lessee, Lessee will either as is appropriate, (A) repair the Equipment within 30 days after the occurrence of such Event of Loss, so that the Equipment is in good and efficient working order, condition, repair, and appearance and is available to Lessee for use under the Equipment Lease or (B) replace the Equipment within 30 days after the occurrence of such Event of Loss, with equipment of a like kind and quality, of at least equal value, and in good and efficient working order, condition, repair, and appearance, and convey the same to Lessor with general warranties of title and free and clear of all liens, security interests, and encumbrances, except for the Equipment Lease and those of Secured Party, and of all ownership interests of others. Provided, in lieu of the foregoing, Lessee will promptly pay Lessor all rent and other amounts due as of the date of such payment and the Stipulated Loss Value (as is established by the Equipment Lease) for each item of the Equipment as to which such Event of Loss occurred whenever (1) it is not economically justifiable to repair or replace such Equipment, as determined in the reasonable discretion of Lessor, and Lessee has not fully completed such repairs or made such replacement (as described above) prior to Lessor making such determination, (2) Lessee has not fully repaired or replaced the Equipment (as described above) within 30 days after the occurrence of such Event of Loss and Lessor notifies Lessee of its election to receive such payment, (3) the proceeds payable to Lessor or Secured Party under insurance maintained by Lessee pursuant to paragraph 20(A) herein insuring against such risk of loss to such Equipment are not less than the amount of such Stipulated Loss Value, or (4) the proceeds payable to Lessor or Secured Party under such insurance are not less than 80% of the amount of such Stipulated Loss Value and Lessee notifies Lessor of its election to make such payment.

Upon the payment of the Stipulated Loss Value and other amounts to be paid therewith pursuant to the foregoing paragraph, the term of the Equipment Lease will end with respect to each item of Equipment for which such Stipulated Loss Value and other amounts were paid, but not with respect to the balance of the Equipment (if any), the fixed monthly rent payable under the Equipment Lease will be reduced by the percentage of the Equipment constituting such items of the Equipment (as measured by the actual equipment cost), and Lessor will assign to Lessee all of its rights, titles, and interests in such items of the Equipment, free and clear of all liens, security interests, and encumbrances arising by or through Lessor, except for taxes, assessments, and levies payable by Lessee pursuant to the Equipment Lease.

20 Insurance Until the Equipment has been received and accepted by Lessor after the term of the Equipment Lease, Lessee will obtain and maintain, at its own cost, the following:

(A) Insurance against the loss, theft, damage, or destruction of the Equipment, in an amount not less than the greater of the full replacement value thereof or the Stipulated Loss Value and with Lessor being named the sole insured thereunder and, as requested by Lessor, with Secured Party being named as the mortgagee under a "standard" mortgage clause, and,

(B) Public liability insurance with respect to the use or operation of the Equipment, in an amount satisfactory to Lessor, and with Lessor, Lessee, and Secured Party being named co-insureds thereunder.

All such insurance will be with companies, in a form, and with coverage as are satisfactory to Lessor and Secured Party.

Upon the request of Lessor or Secured Party, Lessee will deliver to Lessor and Secured Party certificates by the carriers issuing such insurance certifying as to the coverages provided by such insurance and agreeing that such insurance will not be terminated or cancelled for any reason without giving Lessor and Secured Party at least 30 days prior written notice. Upon the request of Lessor or Secured Party, Lessee will provide it with the originals of the policies for such insurance, for inspection and copying.

From the net proceeds (if any) of the insurance maintained by Lessee pursuant to paragraph 20(A) herein that are received by Lessor or Secured Party with respect to an item of Equipment, Lessor or Secured Party (as is applicable) will reimburse Lessee for its reasonable, documented, out-of-pocket costs to repair or replace such item of Equipment pursuant to paragraph 19 herein.

to the extent that such repairs or replacements were necessitated by the occurrence of the risk of loss for which such proceeds were paid, provided, no such reimbursement will be payable if a Stipulated Loss Value is paid or payable with respect to such item of Equipment and such risk of loss Lessee may offset the payment of the Stipulated Loss Value pursuant to paragraph 19 herein against the net proceeds received by Lessor or Secured Party under insurance maintained by Lessee pursuant to paragraph 20(A) herein insuring against the event giving rise to the payment of the Stipulated Loss Value. Net proceeds means the gross proceeds paid less all reasonable costs of collection, including court costs and attorney fees

21 **Lessor's Warranties** LESSOR DOES NOT, AND WILL NOT, MAKE ANY WARRANTY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, BUT NOT BY WAY OF LIMITATION, THE TITLE, CONDITION, QUALITY, DESIGN, CONFORMITY OF THE EQUIPMENT TO THE PURCHASE ORDER, ANY PLANS OR SPECIFICATIONS, OR ANY GOVERNMENTAL REQUIREMENT OR REGULATION, CAPACITY, VALUE, MERCHANTABILITY; FITNESS FOR ANY PARTICULAR USE OR PURPOSE, FREEDOM FROM PATENT, TRADEMARK, OR COPYRIGHT INFRINGEMENT, OR OTHER MATTERS CONCERNING THE EQUIPMENT, EXCEPT FOR WARRANTIES AGAINST ENCUMBRANCES SPECIFICALLY PROVIDED FOR HEREIN (IF AT ALL) TO BE MADE BY LESSOR. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND ASSUMES NO LIABILITY, WITH RESPECT TO THE TREATMENT BY LESSEE OF THE EQUIPMENT LEASE, THE EQUIPMENT, THE RENT, OR OTHER MATTERS FOR ACCOUNTING, FINANCIAL STATEMENT, OR TAX PURPOSES

22 **Lessee's Warranties** Lessee hereby represents and warrants to Lessor and Secured Party, as of at the time of signing this Master Agreement, the Equipment Lease, and the Certificate of Acceptance, as follows

(A) Lessee is a corporation, is duly organized, validly existing, and in good standing under the laws of the state of its incorporation, and is duly qualified as a foreign corporation to do business in, and is in good standing under the laws of, each jurisdiction where, because of the nature of its activities or property, such qualification is required

(B) The signing and delivering of this Master Agreement and the Equipment Lease and the performance of Lessee's obligations under the Equipment Lease are within Lessee's powers, have been duly authorized by all necessary corporate action, and do not and will not (1) require the consent or approval or other action by, notice to, or filing with any person, body, or governmental authority, (2) contravene any provision of Lessee's articles or certificate of incorporation, bylaws, or corporate resolutions, (3) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination, or award binding on Lessee or its property or applicable to this Master Agreement, the Equipment Lease, or the Equipment, (4) violate, or constitute a default under, any indenture, agreement, document, or instrument to which Lessee is a party or by which it or its property is bound, or (5) result in, or require the creation of, any imposition, mortgage, deed of trust, pledge, lien, security interest, or other charge or encumbrance of any nature upon, or with respect to, any property of Lessee

(C) This Master Agreement is and, when signed and delivered, the Equipment Lease and the Certificate of Acceptance will be legal, valid, and the binding obligations of, and enforceable against, Lessee, in accordance with their respective provisions

(D) All certificates (including, but not by way of limitation, the Certificate of Acceptance), statements (including, but not by way of limitation, financial statements), and information provided to Lessor or Secured Party by, or at the request of, Lessee in connection with this Master Agreement or the Equipment Lease are true and accurate and do not contain any untrue statement, or fail to contain any statement of a material fact necessary to make the statements contained herein or therein not misleading. There is no fact known to Lessee that could materially and adversely affect the financial condition of Lessee, which Lessee has not disclosed to Lessor in writing

(E) The Equipment will be used for commercial or business purposes only

23 **Disclaimers** Lessor and Secured Party will not be liable and Lessee will not seek to hold Lessor or Secured Party liable, (A) for any liability, loss, damage, cost, or expense arising out of, or pertaining to, (1) the Equipment, its failure to be delivered or delivered timely, or its handling, erection, installation, use, operation, maintenance, repair, rebuilding, replacement, or storage, (2) the unsuitability or unservicability of, or any defect in, the Equipment, or (3) the interruption of service or loss of use of the Equipment, (B) for any loss of business or profits, or (C) for any incidental or consequential damages, of any nature whatsoever or howsoever caused, notwithstanding that such liability or claim thereof is based on any alleged breach of contract, breach of warranty, misrepresentation, negligence, strict liability in tort, or other theory

24 **Indemnities** Lessee hereby assumes the liability for, and agrees to indemnify, defend, and hold harmless Lessor, Secured Party, and their respective shareholders, directors, officers, agents, employees, successors, and assigns and their respective properties from and against, any and all liabilities, losses, damages, penalties, claims, suits, costs, and expenses of every nature whatsoever, including, but not by way of limitation, court costs and attorney fees, (whether also indemnified against by any other person) arising out of, or pertaining to, (A) this Master Agreement, (B) the Equipment Lease, (C) any act by Lessee as the agent of Lessor, or (D) the actual or alleged manufacture, sale, purchase, ownership, transportation, delivery, lease, possession, storage, use, operation, design, condition, maintenance, repair, alteration, addition to, improvement, return, or disposition of the Equipment by Lessor, Secured Party, their respective successors or assigns, or Lessee, including, but not by way of limitation, any claim alleging latent and other defects, whether discovered or discoverable by Lessor, Secured Party, their respective successors and assigns, or Lessee, any claim for patent, trademark, or copyright infringement, and any claim arising out of strict liability in tort Lessee will promptly give Lessor and Secured Party notice of any matter hereby indemnified against upon learning thereof Lessor and Secured Party reserve the right to defend, at Lessee's expense, any claims brought against Lessor or Secured Party, with counsel of their respective choices and at the expense of Lessee

25 **Events of Default** Each of the following described events or circumstances will constitute an event of default ("Event of Default")

(A) Lessee's failure to pay when due any rent or other amount payable under the Equipment Lease, if such failure remains unremedied for ten (10) days after the due date therefor,

(B) If any warranty, representation, or certificate made by Lessee to Lessor or Secured Party in connection with this Master Agreement or the Equipment Lease proves to have been incorrect in any material respect when made or subsequently becomes incorrect in any material respect,

(C) Lessee's failure to perform or observe any provision of the Equipment Lease to be performed or observed by Lessee, if such failure remains unremedied for ten (10) days after the date of such failure,

(D) The transfer of a substantial portion of Lessee's assets not in the ordinary course of its business, including in connection with a dissolution, liquidation, reorganization, merger, or consolidation of Lessee,

(E) The dissolution, liquidation, or termination of the existence of Lessee or any guarantor ("Guarantor") of Lessee's liabilities or obligations under the Equipment Lease, or unless the prior written consent of Lessor is obtained, the transfer of over fifty percent (50%) of the beneficial ownership interests of Lessee or any such Guarantor within any thirteen (13) calendar month period,

(F) The execution or levying upon any of Lessee's rights, titles, or interests under the Equipment Lease or in or to the Equipment, and,

(G) The appointment of a trustee or receiver for Lessee or for any Guarantor, for a substantial part of the property of either of them, or for the Equipment, the making of any assignment for the benefit of creditors, whether voluntary or involuntary, by Lessee or any Guarantor, or the filing of any petition by or against Lessee or any Guarantor, as the debtor, under

the U S Bankruptcy Code or any other federal, state, or other laws providing a debtor relief with respect to its creditors

26 **Lessor's Right To Cure** Without notice to, or demand upon, Lessee, Lessor will have the right (but not the duty) to cure or attempt to cure any Event of Default, at any time and in the name of Lessee or Lessor. All costs incurred by Lessor with respect to such cure or attempt to cure will be payable to Lessor by Lessee upon demand

27 **Interest and Costs** Upon demand, Lessee will pay Lessor interest at the rate of 1 5% per month or the highest rate of interest allowable under applicable law, whichever is less, on all rent and other amounts payable by Lessee pursuant to the Equipment Lease that are not paid when due, from their due date until paid. Upon demand, Lessee will pay to Lessor all reasonable costs and expenses (including attorney fees) incurred by Lessor with respect to the collection or enforcement of any liability or obligation of Lessee under the Equipment Lease

28 **Remedies** At any time after an Event of Default, Lessor may exercise (but is not obligated to exercise) any one or more of the following remedies, in whole or in part and separately, consecutively, or concurrently

(A) Lessor may terminate the term of the Equipment Lease, by giving Lessee written notice thereof, but such termination will not release, discharge, diminish, or stay the time for performance of any of Lessee's liabilities and obligations under the Equipment Lease,

(B) Lessor may notify Lessee to deliver or to store and then deliver the Equipment pursuant to the paragraph herein entitled Return Of Equipment, and Lessee will do so,

(C) Lessor may enter upon the real property on which the Equipment is located (without the payment of rent) and may take possession of the Equipment or remove the Equipment, without demand or notice, without any court order or other process of law, and without any liability to Lessee or any other person for any damages occasioned thereby,

(D) Without regard to the exercise of any other right or remedy by Lessor (including the termination of the term of the Equipment Lease), Lessor may collect from Lessee, and Lessee will pay Lessor upon demand, all rent and other amounts due pursuant to the Equipment Lease at the time that such payment is made in full (including those that would be due upon the giving or expiration of notice or the making of demand), together with the present value (calculated using a 5% per annum interest rate) of (1) all rent and other amounts (exclusive of indemnity payments, which will remain payable in full) payable, but not due, under the Equipment Lease and (2) the fair market value of the Equipment, as it would be at the expiration of the term of the Equipment Lease (without further extensions), supposing that the Equipment was maintained, repaired, and replaced in accordance with the Equipment Lease, as is estimated by an independent appraiser selected by Lessor and paid by Lessee,

(E) Without regard as to whether the term of the Equipment Lease has been terminated or the availability or exercise of any other right or remedy by Lessor under the Equipment Lease, Lessor may enforce specifically the performance by Lessee of all of the liabilities and obligations of Lessee under the Equipment Lease, and,

(F) Lessor may pursue any other remedies at law or in equity, and, each of the remedies provided for herein or available at law or in equity is separate and distinct and not cumulative in nature

29 **Refund of Damages Paid** If Lessee has paid all amounts payable by Lessee pursuant to the Equipment Lease [including, but not by way of limitation, those payable pursuant to paragraph 28(D) herein, as incorporated therein], then, if and when Lessor sells or leases the Equipment following the term of the Equipment Lease, Lessee will be entitled to a refund, without interest, of not more than the amounts, if any, specifically paid by Lessee under (1) and (2) of paragraph 28(D) herein. The payment of all amounts payable by Lessee pursuant to the Equipment Lease is unconditional and may not be delayed in anticipation of, or as an offset against, such refund

If the Equipment is sold, such refund will not exceed the net sale price received by Lessor. If the Equipment is leased, such refund will not exceed the net rental received by Lessor for that part, if any, of the term of such lease that coincides with any part of what would have been the term of the Equipment Lease, without further extensions. Such net sale price and net rental will be calculated by subtracting from the gross amounts thereof actually paid to Lessor all costs and expenses incurred by Lessor with respect to selling and leasing the Equipment, including, but not by way of limitation, all costs and expenses of repairing, rebuilding, upgrading, and otherwise preparing the Equipment for sale or lease, of retaking, clearing title to, transporting, holding, storing, and selling, leasing, or otherwise disposing of the Equipment, and of attorney fees, court costs, appraiser fees, and commissions.

30 **Liquidation of Damages** Lessor and Lessee agree (A) that, upon and as a result of the occurrence of an Event of Default, Lessor will suffer actual damages with respect to its acquisition and financing of its acquisition and holding of the Equipment and its loss of profits on the unpaid rent payable, but not due, under the Equipment Lease, (B) that the amount of such actual damages would be difficult to determine and is reasonably estimated to be equal to the amount payable under (1) and (2) of paragraph 28(D) herein, less the amounts of any refunds payable pursuant to paragraph 29 herein, (C) that they intend to agree upon such estimated amount as damages in liquidation of such actual damages, (D) that such liquidated damages are not in the nature of a penalty and do not constitute a forfeiture, and (E) that Lessor will not ultimately recover from the Lessee an amount more or less than such liquidated damages with respect to such actual damages, notwithstanding anything to the contrary in the Equipment Lease.

31 **Assignments, Subleases, and Encumbrances** Lessor may assign, mortgage, grant security interests, collaterally assign rents, or otherwise transfer or encumber any right, title, or interest in this Master Agreement, any Purchase Order or any advance payment or deposit made thereunder, the Equipment Lease, and the Equipment (subject to Lessee's rights under the Equipment Lease), without restriction or notice to Lessee. If the Equipment Lease or the rent thereunder are assigned to any person, whether outright or as security, or any other such transfer or encumbrance is made and if Lessee is given notice thereof, Lessee will, upon the request of Lessor, sign and deliver to Lessor and Secured Party a writing, in a form and of a content satisfactory to Lessor, that provides, in part, (A) that Lessee acknowledges the receipt of notice of such assignment, transfer, or encumbrance, (B) that Lessee will pay the rent and other amounts payable to whomsoever is designated in such notice, under all circumstances and without defense, offset, or counterclaim, (C) that Lessee does not have any claims or actions pending or threatened against Lessor, (D) that Lessor is not in default under any agreement of any nature whatsoever between Lessor and Lessee, including, but not by way of limitation, the Equipment Lease, (E) that any such assignee, transferee, grantee, or beneficiary may rely on such writing as of its date, and (F) that, upon the request of Lessor or any such assignee, transferee, grantee, or beneficiary, Lessee will either confirm or deny with specificity the foregoing.

Only one copy of the Equipment Lease will be originally signed by Lessor and Lessee, and Lessor will be entitled to the possession of such originally signed copy. All other copies of the Equipment Lease will be clearly marked as being copies. Only the originally signed copy of the Equipment Lease will constitute the Equipment Lease and will be, and be deemed to be, chattel paper under the Uniform Commercial Code. Only the originally signed copy of the Equipment Lease may be assigned or encumbered by Lessor. All copies of the Equipment Lease that are not originally signed will be for informational and evidentiary purposes only.

LESSEE WILL NOT, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR AND SECURED PARTY, (1) ASSIGN, MORTGAGE, GRANT A SECURITY INTEREST IN, OR OTHERWISE TRANSFER OR ENCUMBER ANY RIGHT, TITLE, OR INTEREST IN THIS MASTER AGREEMENT, ANY PURCHASE ORDER OR ANY ADVANCE PAYMENT OR DEPOSIT MADE THEREUNDER (EXCEPT FOR ASSIGNMENTS TO LESSOR PURSUANT TO THE EQUIPMENT LEASE), THE EQUIPMENT LEASE, OR THE EQUIPMENT OR (2) SUBLEASE, LEND, OR OTHERWISE BAIL OR PERMIT THE EQUIPMENT TO BE USED OR POSSESSED BY ANYONE OTHER THAN LESSEE. For the purposes of this paragraph, Lessee will be deemed to have assigned the Equipment Lease if, at any time hereafter, the ownership of over fifty percent (50%) of the outstanding voting securities or other ownership interests of Lessee

or of the assets of Lessee are changed within any thirteen (13) consecutive calendar month period, other than in the ordinary course of business

32 **Amendments** This Master Agreement may not be amended independently of the Equipment Lease, except by a writing signed by Republic Financial Corporation and the Lessee signing this Master Agreement. As incorporated in the Equipment Lease, this Master Agreement may not be amended, except by such Equipment Lease or a writing signed by Lessor and Lessee, and, then, such amendment will amend this Master Agreement only for the purposes of such Equipment Lease and for no other purposes whatsoever, including with respect to any other Equipment Lease.

The Equipment Lease may not be amended, except by a writing signed by Lessor and Lessee.

33 **Terminations** This Master Agreement may be terminated at any time by either Republic Financial Corporation or the Lessee signing this Master Agreement giving the other of them written notice of its termination. The termination of this Master Agreement will not terminate or otherwise affect the Equipment Lease, whether it has been or is thereafter signed by Lessor and Lessee.

The Equipment Lease may not be rescinded, cancelled, or terminated, except as is expressly provided for therein.

34 **Applicable Law, Venue, And Jurisdiction** This Master Agreement and the Equipment Lease will be governed by, and construed in accordance with, the laws of the State of Colorado. Lessee agrees that any civil action or other legal proceeding pertaining to, or arising out of, this Master Agreement or the Equipment Lease may be maintained in any court within the State of Colorado or in any of the U.S. District Courts of Lessor's choosing. Lessee irrevocably consents to, and submits itself to, the jurisdiction of each such court for such purposes. Lessee acknowledges the competence of each such court and agrees to be bound by any order or judgment of any such court, provided, the foregoing will not limit the right of Lessor to bring any such civil action or other proceeding against Lessee elsewhere.

35 **Severability** If any provision of this Master Agreement or the Equipment Lease, or the application thereof to any person or circumstance, is invalid, the remainder of this Master Agreement or such Equipment Lease, as is applicable, or the application of this Master Agreement or such Equipment Lease, as is applicable, to any person or circumstance, other than that to which it is invalid, will not be affected.

36 **General Provisions** Time is of the essence hereof.

Lessee acknowledges that the manufacturers and vendors of the Equipment and their respective salesmen, employees, and agents are not agents of Lessor and are not authorized to waive or alter any provision of the Purchase Order or the Equipment Lease or to make any agreements, representations, or warranties, on behalf of Lessor.

Lessor and Lessee are lessor and lessee, respectively, with respect to the Equipment and the Equipment Lease. They are not joint venturers, partners, employed by one and the other, or, except as is specifically provided for herein, agents of one and the other.

All notices, requests, consents, and other communications under the Equipment Lease will be in writing and will be deemed to have been sufficiently given or served when physically delivered (including by telex or telecopier) or, if sooner, when deposited for mailing with the appropriate postal authorities, by certified mail with a return receipt requested and with postage prepaid, and addressed to Lessor or Lessee, as is applicable, at its address set forth in the Equipment Lease or at such other address as to which the other is given at least thirty (30) days prior written notice pursuant hereto.

This Master Agreement contains the entire understanding and agreement between Lessor and Lessee and supersedes all prior representations, warranties, understandings and agreements, if any, between Lessor and Lessee, pertaining to the subject matter of this Master Agreement. The

Equipment Lease, with the schedules attached thereto (which will be deemed to be incorporated therein by reference) and with this Master Agreement incorporated therein by reference, contains the entire understanding and agreement between Lessor and Lessee and supersedes all prior representations, warranties, understandings, and agreements, if any, between Lessor and Lessee, pertaining to the subject matter of the Equipment Lease. The headings to the paragraphs in this Master Agreement are for the convenience of the reader only and do not modify or reflect upon any provision.

Lessee will promptly provide Lessor with such corporate resolutions, secretary's certificates of incumbency and with respect to corporate resolutions, opinions of Lessee's counsel, financing statements, and other documents and instruments with respect to the transactions contemplated by this Master Agreement and the Equipment Lease and with periodic and annual financial statements, as and to the extent reasonably requested by Lessor.

Except as is otherwise provided for in this Master Agreement or in the Equipment Lease, this Master Agreement and the Equipment Lease, as applicable, will be binding upon, and enure to the benefit of, Lessor, Lessee, and their respective successors and assigns.

Dated as of 9/1, 1993

LESSOR
REPUBLIC FINANCIAL CORPORATION,
a Colorado corporation

By Arthur J. Starns
Title Vice President

And by Janette M. Hellhouse
Title Asst. Secretary

Location of Lessor's Chief
Executive Office

3300 S Parker Road #500
Aurora, Colorado 80014

LESSEE
LOBDELL-EMERY MANUFACTURING
COMPANY,
a Michigan corporation

By Jeffery L. Starns
Title Vice President

Location of Lessee's Chief
Executive Office

1325 East Superior Street
Alma, Michigan 48801

EQUIPMENT LEASE

REPUBLIC FINANCIAL CORPORATION ("Lessor")

Lessee No M-10572

Equipment Lease No M-06-080994A

Lessee
(full legal name and address)

Lobdell Emery Corporation
1325 E Superior Street
Alma, Michigan 48801

Contact Cliff Suing, Asst Treasurer
Telephone (517) 463-3151

Master Agreement Date May 20, 1993,
as amended 11/30/93 and 8/26/94

Rent Commencement Date November 1, 1994

Supplier of the Equipment
(name and address)

Modern Engineering
42850 West 10 Mile Road
Novi, Michigan 48376-8019

Salesman Judy Stefaniak
Telephone (810) 578-6076

1 **Interim Rent** Rent for the period commencing on the date of the Certificate of Acceptance and ending on the day before the Rent Commencement Date will be calculated on a per diem basis calculated by dividing 0201418 by 30 and multiplying the quotient by the Actual Total Equipment Cost. Such rent will be payable monthly in arrears, will be due within ten (10) days after Lessor invoices Lessee therefor, and will be in addition to all other rent provided to be paid under this Equipment Lease.

2 **Rent** Commencing on the Rent Commencement Date the rent will be \$15,321 00, plus, initially, \$0 00 (exempt) for taxes, totalling \$15,321 00, payable monthly in arrears, with the first payment being due December 1, 1994 and each succeeding payment being due on the first day of each calendar month thereafter throughout the term of this Equipment Lease.

3 **Expiration** The term of this Equipment Lease will expire sixty (60) calendar months after the Rent Commencement Date, unless extended in accordance with this Equipment Lease.

4 **Lease** The Master Lease Agreement (the "Master Agreement") dated as is set forth above is hereby incorporated herein by reference and a copy thereof is attached hereto. Except as is specifically provided to the contrary herein, the provisions of the Master Agreement are the provisions of this Equipment Lease. The amendments to said Master Agreement set forth herein apply only to this Equipment Lease. With respect to any other equipment lease or document that incorporates provisions of the Master Agreement, whether now existing or hereafter delivered or entered into, the amendments to the Master Agreement set forth in this Equipment Lease do not have the effect of amending the Master Agreement with respect to such other equipment lease or document.

5 **Sale And Lease Back** This Equipment Lease is part of a sale and lease back transaction whereby Lessee is selling, assigning, and transferring to Lessor the Equipment and all warranties and guaranties applicable thereto, with full warranties of title and free from all liens, security interests, encumbrances, and rights and interests of third-parties. Upon being delivered Lessee's bill of sale for the Equipment (in a form and of a content as is satisfactory to Lessor), the Certificate of Acceptance, and the financing statement searches, real estate waivers, opinion of Lessee's counsel, and other documents and instruments requested by Lessor, Lessor will pay the third party Supplier the Actual Total Equipment

Cost, in full payment of all monetary consideration for the Equipment Lessee hereby warrants to Lessor that the sale and lease back nature of the transactions provided for by this Equipment Lease do not violate any law pertaining to the fraudulent retention of possession of property after its sale or the fraudulent transfer of property

6 **Equipment Loss** Notwithstanding the provisions of the second physical paragraph of paragraph 19 of the Master Agreement, (A) if phrase (3) of the said paragraph 19 is not applicable, (B) if prior to the expiration of the 30 day period referred to in phrase (A) or (B) of the said paragraph 19 (whichever is applicable), Lessee delivers to Lessor Lessee's irrevocable, written covenant to repair or replace the Equipment (whichever is applicable) in accordance with the said paragraph 19 and to do so promptly and in no event later than 60 days following the expiration of the said 30 days, (C) if since the occurrence of the subject Event of Loss Lessee has been diligently pursuing such repair or replacement, and (D) if no Event of Default has occurred that remains uncured and no event has occurred that, with the giving of notice or the passage of time, would constitute an Event of Default, then, the said 30 day period referred to in phrase (A) or (B) of the said paragraph 19 (whichever is applicable) will be extended for one additional 60 day period, provided that neither Lessor nor Secured Party will be obligated to reimburse Lessee from insurance proceeds for any expenses pursuant to paragraph 20 of the Master Agreement until after such repair or replacement has been completed in accordance with the said paragraph 19 and that, by delivering such written covenant, Lessee irrevocably waives its right to make the election provided for in phrase (4) of the said paragraph 19 The foregoing does not affect the provisions of phrase (3) of the said paragraph 19

7 **Extended Term Amendment** For the purposes of this Equipment Lease, in the first physical paragraph of paragraph 16 of the Master Agreement "18" is hereby amended to be "12"

8 **Stipulated Loss Value** The Stipulated Loss Value for the Equipment is as set forth in the attached Stipulated Loss Value Schedule

9 **Early Termination Of The Term** Lessee is granted the option (the "Termination Option") to terminate the term of this Equipment Lease as of the end of the 30th calendar month following the Rent Commencement Date The Termination Option may be exercised only by Lessee delivering to Lessor written notice (the "Termination Notice") of such exercise not more than 18 full calendar months nor less than 12 full calendar months prior to the end of such 30th calendar month, and no attempted exercise of the Termination Option will be effective if, on the date of the Termination Notice or at the end of such 30th calendar month, any Event of Default exists or any event has occurred or circumstance exists that, with the giving of notice or the passage of time or both, would constitute an Event of Default The effective termination of the term of this Equipment Lease pursuant to the Termination Option is subject to the condition that Lessee pays all amounts payable by Lessee in accordance with this Section 9, whether such amounts become due before, on, or after the end of such 30th calendar month The Termination Option will terminate if it is not timely and effectively exercised

If Lessee timely delivers to Lessor the Termination Notice, Lessor will, not later than 180 days prior to the end of such 30th calendar month, select and hire a qualified third-party (as reasonably determined by Lessor) to inspect, test, and prepare a written report on each item of the Equipment (including, without limitation, the Logs) to determine whether the same then conforms with the provisions of this Equipment Lease, including (without limitation) those provisions pertaining to the maintenance, repair, and replacement of the Equipment, and Lessee will pay the fees and costs of such third-party when due Lessee will fully cooperate with such third-party

Such third-party will deliver a copy of such report to Lessee and Lessor. Within 30 days following its receipt of such report, Lessee will deliver to Lessor Lessee's written certificate (A) setting forth with specificity each item in such report that Lessee claims to be inaccurate and Lessee's position as to why such item is inaccurate, (B) stating that the Logs are and, at the end of such 30th calendar month, will be accurate and complete, (C) stating that the Equipment is free and clear of all liens, security interests, encumbrances, and claims of third-parties (including, without limitation, claims of any right of possession or use), other than those arising by or through Lessor that are not to be paid or discharged by Lessee pursuant to this Equipment Lease, and (D) setting forth the then current number of hours of use of the Equipment during the term of this Equipment Lease. Lessee will promptly deliver to Lessor such written documentation as Lessor may reasonably request to support the contents of such certificate. If and to the extent that Lessee fails to claim timely that such report is inaccurate, Lessee will be deemed to have agreed that such report is accurate and complete. It will be an Event of Default under this Equipment Lease if, at the end of such 30th calendar month, any item of the Equipment has not been maintained, repaired, or replaced in accordance with this Equipment Lease, and Lessee will be liable to pay Lessor an amount equal to 150% of Lessor's cost to complete such maintenance, repairs, and replacements, whether Lessor actually does the same.

During the period commencing with the date of the Termination Notice and ending 12 calendar months after the end of such 30th calendar month, Lessor will use its best efforts to sell the Equipment as of the end of such 30th calendar month, for cash, by public or private sale to one or more purchasers, and at a sale price determined by Lessor in the exercise of its reasonable discretion. Neither Lessee nor any affiliate of Lessee, nor the owner of the tooling portion of the weldline, may be a direct or indirect purchaser of any of the Equipment. Lessor may abandon (but is not obligated to abandon) in place or otherwise so much of the Equipment as Lessor reasonably determines, provided that any calculation of the Stipulated Loss Value will be made without regard to such abandonment. Lessee will cooperate fully with Lessor's efforts to sell the Equipment and, upon demand of Lessor from time to time, will reimburse Lessor or directly pay all costs pertaining to any such sale or any attempted sale, including (without limitation) costs for maintaining, repairing, replacing, refurbishing, disassembling, storing, insuring, shipping, and assembling the Equipment, for modifications and additions to the Equipment, and for software licenses, software modifications and upgrades, appraisals, advertising, auction services, and brokerage services. Prior to the end of such 30th calendar month and, as and to the extent requested by Lessor from time to time during the 12 calendar months thereafter, Lessee (at its sole cost and risk) will maintain the Equipment at the Equipment Location in a fully assembled and operational condition, will provide all power, lighting, heat, lubricants, personnel, feed stock, and other items necessary to demonstrate fully the operation of the Equipment, and will demonstrate the operation of the Equipment or any part thereof to prospective mortgagees and purchasers thereof. As and to the extent requested by Lessor from time to time following the end of such 30th calendar month, Lessee (at its sole cost and risk) will promptly disassemble, pack, store (for a period not to exceed 12 calendar months), transport, deliver to one or more locations designated by Lessor, and properly reassemble the Equipment.

If Lessor designates any location outside the United States of America as a point of delivery for any of the Equipment, Lessee (at its own cost) will provide all necessary licenses, permits, and other documents issued by public authorities (including, without limitation, those required by the countries of export, import, and transit and otherwise required to place the Equipment at the disposal of Lessor or its designee) and will pay all duties, fees, and taxes (including, without limitation, custom clearance fees and VAT taxes).

If any of the Equipment is to be disassembled, packed, stored, transported, delivered, or reassembled pursuant to this Section 9, Lessee (at its own cost) will cause all of the procedures for doing

so that are recommended by the Supplier or any manufacturer of the Equipment to be followed (including, without limitation, the use of shipping stands, skids, lifting slings, shipping brackets and locks, and storage fluids and the removal and appropriate disposal of fluids) and will cause each disassembled part of the Equipment to be descriptively labeled in a non-injurious manner and in such a manner as to allow the forthright reassembly of the Equipment

At the end of such 30th calendar month and as the consideration for such termination of the term of this Equipment Lease, Lessee will pay Lessor an amount equal to 43 72% of the Actual Total Equipment Cost (the "Termination Payment"), subject to being refunded in whole or in part in accordance with this paragraph. If the total sale price for the Equipment sold pursuant to this Section 9 and received in cash by Lessor exceeds the difference between the Stipulated Loss Value for all of the Equipment at the end of such 30th calendar month and the Termination Payment, then, as a refund on the Termination Payment, Lessor will pay Lessee the amount of such excess to the extent that it is not greater than the Termination Payment. Lessee does not have, and will not acquire, any right, title, or interest in or to the Equipment or any proceeds of the Equipment

10 Option To Extend Lessee is granted two (2) options to extend the term of this Equipment Lease by twelve (12) calendar months. Each option may be exercised only while no Event of Default exists and by Lessee timely delivering to Lessor written notice of such exercise. With respect to the first such option to be exercised, such written notice must be delivered to Lessor at least 12 full calendar months prior to the expiration of the term hereof, with respect to the second such option to be exercised, such written notice must be delivered to Lessor at least 6 full calendar months prior to the expiration of the term hereof. All unexercised options will terminate upon any termination of this Equipment Lease or the failure to exercise timely any option.

Upon the commencement of each such extension of the term of this Equipment Lease, the amount of the rent payable pursuant to the paragraph herein entitled Rent will be changed to the fair market rental value of the Equipment (supposing that the Equipment is in use for its originally intended purpose and has been maintained, repaired, and replaced in accordance with this Equipment Lease and based upon its value in place and in use) on the date of such commencement. If Lessor and Lessee do not agree upon the amount of such fair market rental value within 60 days following the exercise of the option, Lessor will hire an appraiser (to whom Lessee does not unreasonably object within 7 days after Lessor gives Lessee written notice of its selection) to determine such fair market rental value, and Lessee will pay the fees of such appraiser. The fair market rental value, as determined by such appraiser, will be final and binding. Notwithstanding the foregoing, under no circumstances will such fair market rental value be less than \$9,192.60 per calendar month (i.e., 60% of the rent set forth in Section 2 herein).

11 Option To Purchase Lessee is granted the option to purchase all of Lessor's right, title, and interest in the Equipment upon the expiration of the term of this Equipment Lease. The option may be exercised only while no Event of Default exists and by Lessee timely delivering to Lessor written notice of such exercise. If the term hereof has not previously been extended in accordance with any provision of this Equipment Lease, such written notice must be delivered to Lessor at least 12 full calendar months prior to the expiration of the term hereof, if the term hereof has previously been extended in accordance with any provision of this Equipment Lease, such written notice must be delivered to Lessor at least 6 full calendar months prior to the expiration of the term hereof. The option will terminate upon any termination of this Equipment Lease or the failure to exercise timely the option. The option will be a contractual right only, between Lessor and Lessee, and will not create in favor of Lessee any right, title, or interest in the Equipment.

The purchase price for the Equipment will be the fair market value thereof (supposing that the Equipment is in use for its originally intended purpose and has been maintained, repaired, and replaced in accordance with this Equipment Lease and based upon its value in place and in use) on the date of the expiration of the term hereof, payable in cash on such date. If Lessor and Lessee do not agree upon the amount of such fair market value within the 60 days following the exercise of the option, Lessor will hire an appraiser (to whom Lessee does not unreasonably object within 7 days after Lessor gives Lessee written notice of its selection) to determine such fair market value, and lessee will pay the fees of such appraiser. The fair market value, as determined by such appraiser, will be final and binding.

Provided that Lessee has timely exercised the option and has paid and performed all of its liabilities and obligations under this Equipment Lease (including the payment of the purchase price), on the date of the expiration of the term of this Equipment Lease Lessor will sell and assign to Lessee all of Lessor's right, title, and interest in the Equipment. **SUCH SALE AND CONVEYANCE WILL BE ON AN "AS IS, WHERE IS" BASIS, WITHOUT WARRANTIES OF ANY NATURE, EXPRESS OR IMPLIED (INCLUDING, BUT NOT BY WAY OF LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PURPOSE), EXCEPT AGAINST LIENS AND ENCUMBRANCES ARISING BY OR THROUGH LESSOR**

12 Tax Indemnities Lessee hereby represents and warrants to Lessor as follows: (A) Lessor, as owner of the equipment, will be entitled to the following described tax benefits (the "Tax Benefits"):

(1) To depreciation deductions under Section 167(a) of the Internal Revenue Code of 1986, as amended prior to the date hereof, (the "Code") determined in accordance with the Accelerated Cost Recovery System under Section 168(a) and (b)(1)(A) and (B) of the Code, with Lessor recovering the Actual Total Equipment Cost and the Equipment being classified as three (3) year recovery property within the meaning of Section 168(c) of the Code,

(2) To interest deductions under Section 163(a) of the Code, for all interest paid or accrued by Lessor (in accordance with Lessor's method of accounting) on any indebtedness used to finance the purchase of the Equipment and on any refinancings thereof, and,

(3) To exclude from Lessor's gross income (a) all amounts payable to Lessor under, or with respect to, this Equipment Lease, except for payments of periodic rent and any payment that is or represents a payment for the purchase of the Equipment and (b) any amount attributable to any addition to, or modification or improvement of, the Equipment made by or on behalf of, or paid for by, Lessee.

(B) Neither Lessee nor any entity in control of it, controlled by it, or under common control with it will, directly or indirectly, take any action or file any election, return, or other document inconsistent with the foregoing. Lessee and each such entity will promptly and timely prepare and file every election, return, or other document and take whatever actions as are necessary by it to effectuate the foregoing or as are requested by Lessor with respect to the foregoing. Lessee and each such entity will allow Lessor to inspect and copy and, at the request of Lessor, will inspect and copy for Lessor all records of filings made by Lessee or such entities with respect to the foregoing.

If, because of any misrepresentation, act, or failure to act by Lessee, Lessor loses, does not have, or loses the right to claim, or there is disallowed or recaptured any of the Tax Benefits, then, Lessee will pay Lessor all interest, penalties, assessments, and additions to tax (in the nature of a penalty) payable by Lessor in connection with the foregoing, plus whichever of the following is applicable:

(a) If the Determination (hereinafter defined) is during the 180 days prior to the expiration of the term of this Equipment Lease, then, within 10 days following the Determination (hereinafter defined), Lessee will pay Lessor an amount that, after the deduction of all taxes required to be paid by Lessor with respect to the receipt of such amount and the said interest, penalties, assessments, and additions to tax to any local, state, federal, or foreign taxing authority, will equal the additional income taxes payable to all taxing authorities by Lessor as a result of its losing, failing to have or obtain, or recapturing the Tax Benefits (as is applicable), or,

(b) Otherwise, commencing with the first periodic rent payment due following the Determination (hereinafter defined), the then remaining unpaid, periodic rent payments payable during the balance of the term of this Equipment Lease, as extended, will be increased so that Lessor receives the same after tax, economic yield with respect to this Equipment Lease, using the maximum rates of such taxing authorities (not including alternative minimum tax rates or environmental tax rates) then established under law as being applicable to corporations known as "C corporations" under the Code for the duration of the term of this Equipment Lease, as Lessor would have received had the Tax Benefits herein been or remained available for, and been fully utilized by, Lessor during such term

If Lessor files a tax return acceding to, or pays an amount confirming, any loss, absence or loss of any right to claim, disallowance, or recapture of any of the Tax Benefits (a "Determination"), Lessor will give Lessee prompt written notice thereof

Upon demand, Lessee will pay Lessor all reasonable costs and expenses incurred by Lessor, including reasonable attorney and accountant fees and court costs, with respect to any action taken with respect to establishing, contesting, or settling any matter concerning the Tax Benefits

A misrepresentation or breach of warranty by Lessee with respect to the representations and warranties set forth above concerning Lessor's ownership of the Equipment for federal income tax purposes and concerning Lessor entitlement to the Tax Benefits will not constitute an Event of Default as described in paragraph 25(B) of the Master Agreement, provided that an Event of Default may arise as a consequence thereof if Lessee fails to perform and pay its obligations and liabilities under this paragraph 11 pertaining to such misrepresentation or breach of warranty

The provisions of this Section 12 will survive the expiration of the term or any earlier termination of this Equipment Lease

13 Additional Provisions Concerning The Equipment At any time that the Equipment is to be delivered to Lessor or its designee pursuant to this Equipment Lease, the Equipment will be in such state of maintenance, repair, and replacement that (A) the Equipment is capable of routinely producing products within the tolerances and at least at the capacities originally specified by the Supplier and/or manufacturers of the Equipment, (B) the motors constituting part of the Equipment are capable of sustained operation at their originally rated capacities set by the Supplier and/or manufacturers thereof, (C) each safety device constituting a part of the Equipment is fully operational and at least meets all then current requirements of each governmental authority having jurisdiction over the same and of Lessee's insurance carriers, (D) all certifications and/or inspections of each tank, valve, and other part constituting part of the Equipment have been obtained in accordance with the requirements of each governmental authority having jurisdiction over the same and have not less than two years remaining before their expiration, (E) each part constituting a part of the Equipment that is subject to wear and overhaul or replacement has not less than 50% of its ordinary in service life remaining, and (F) the Equipment is clean, free of rust and corrosion, and has appropriately painted or treated exterior surfaces

If any of the Equipment is to be dismantled, packed, handled, stored, or shipped during the term of this Equipment Lease or in discharge of any obligation of Lessee, then, Lessee will cause all of the procedures for doing so that are recommended by the Supplier and/or manufacturers of the Equipment to be followed, including (without limitation) the use of shipping stands, skids, lifting slings, shipping brackets and locks, and storage fluids and the removal and appropriate disposal of fluids. Additionally, each disassembled part of the Equipment will be descriptively labeled in a non-injurious manner and in such a manner as to allow the forthright reassembly of the Equipment.

The foregoing provisions are in addition to and do not limit the provisions of the Master Agreement.

Dated August 26, 1994

LESSOR

REPUBLIC FINANCIAL CORPORATION,
a Colorado corporation

By W. Randall Ditt
Title S. V. P.

And, by Janette M. Hillhouse
Title Asst. Secretary

Location of Lessor's Chief
Executive Office

3300 S. Parker Road, Suite 500
Aurora, Colorado 80014

LESSEE

LOBDELL EMERY CORPORATION
a Michigan corporation

By Clifford C. Shurz
Title Asst. Treasurer

Location of Lessee's Chief
Executive Office

1325 East Superior Street
Alma, Michigan 48801

CERTIFICATE OF ACCEPTANCE

This certificate is made with respect to the following described Equipment Lease and the Equipment described in the attached Equipment Schedule (which is hereby incorporated herein by reference)

Lessor	Republic Financial Corporation
Lessee	Lobdell Emery Corporation
Equipment Lease No	M-06-080994A
Equipment Lease Dated	August 26, 1994

For good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) and pursuant to the Equipment Lease, Lessee hereby does as follows

1 Lessee hereby certifies and warrants to, and covenants and agrees with, Lessor and its successors, assigns, and secured parties, as follows

(A) The Equipment has been physically delivered to, and is in the possession and under the control of, Lessee, at the Equipment Location set forth in the Equipment Schedule,

(B) Lessee has had a reasonable opportunity to inspect and test the Equipment and has thoroughly inspected and tested the Equipment,

(C) The Equipment is in good working order, condition, and repair, is not defective, conforms to each applicable Purchase Order (as defined in the Equipment Lease), if any, and the Equipment Lease, is irrevocably and unconditionally accepted by Lessee as the Equipment under the Equipment Lease for all intents and purposes and without reservation,

(D) Lessee hereby waives any right that it may have to revoke its acceptance of the Equipment or any part thereof, notwithstanding that the Equipment may subsequently be discovered to be defective or nonconforming,

(E) The foregoing acceptance of the Equipment and waiver of any right to revoke were not induced by any assurances that any nonconformity of the Equipment would be cured, and,

(F) Lessor is not in default under the Equipment Lease, and if such a default were to exist or hereafter occur, no such default would substantially impair the value of the Equipment

2 Lessee hereby requests Lessor to accept the Equipment and its delivery from Lessor's vendor thereof, in its present condition and without reservation or claim against such vendor or any manufacturer thereof or otherwise

3 Lessee hereby requests Lessor to pay the Actual Total Equipment Cost to Lessor's vendor of the Equipment pursuant to each Purchase Order, if any, or otherwise any invoice therefor, without reservation, offset, or protest

This certificate is for the sole use and benefit of the Lessor and its successors, assigns, and secured parties, is not intended to benefit any vendor or manufacturer of the Equipment or any part thereof (including, without limitation, the vendor under any Purchase Order), and may not be relied upon by any such vendor or manufacturer. Nothing in this certificate will be, or be deemed to be, a waiver or release of any right or remedy against, or of any representation or warranty by, any such vendor or manufacturer.

Dated August 26, 1994

LOBDELL EMERY CORPORATION,
a Michigan corporation

By Clifford C. Emery
Title Asst. Treas.

NOTICE AND AGREEMENT

Lease Equipment Lease numbered M-06-080994A and dated August 26, 1994, between Republic, as lessor, and Lessee, as lessee

Republic Republic Financial Corporation, a Colorado corporation and the originally named Lessor under the Lease

Lessee Lobdell Emery Corporation, a Michigan corporation and the originally named Lessee under the Lease

Equipment All property leased to the Lessee under the Lease

Payments All unpaid rental payments and other amounts of every nature whatsoever payable to the "Lessor" in accordance with the Lease

Assignee NBD Leasing, Inc ,
 an Indiana corporation
 251 N Illinois St, Suite 1210
 Indianapolis, Indiana 46204

Effective Date August 26, 1994

For good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by Republic, the Lessee, and the Assignee) and with reference to the foregoing definitions, the parties hereto do as follows

1 Republic hereby notifies the Lessee that, as of the Effective Date, all right, title, and interest of Republic in the Equipment and the Lease, including (without limitation) the Payments, have been sold and assigned by Republic to the Assignee

2 Republic and the Assignee hereby direct the Lessee to make all Payments to the Assignee, and the Lessee agrees to make all Payments to the Assignee, at the Assignee's address shown above

3 Republic, the Lessee, and the Assignee agree that the sale and assignment referred to in paragraph 1 herein is, and shall be deemed to be, a novation of the Lease and all other documents and instruments pertaining thereto, substituting the Assignee for, and to the exclusion of, Republic for all intents and purposes whatsoever. Republic is hereby released and discharged from all liabilities and obligations under the Lease and with respect to the Equipment

4 Republic, the Lessee, and the Assignee agree that the Lease constitutes the binding agreement of the Assignee, as the successor in interest of Republic, and the Lessee, the Lease is in full force and effect, and, the Lease may not be amended except by a writing signed by the Assignee, or its successors or assigns, and the Lessee. The Lessee hereby recognizes the Assignee as the owner of the Equipment and the "Lessor" under the Lease

5 The Lessee hereby represents and warrants (A) that the Lessee has not received any notice and has no knowledge of any prior sale or transfer of the Equipment, the Lease, or the Payments, or any interest in any of them, (B) that the Lessee has not received any notice and has no knowledge of any security interest, conditional assignment, or other lien or encumbrance encumbering the Equipment, the Lease, or the Payments, or any interest in any of them, (C) that the Lessee has received and accepted the delivery of each item constituting the Equipment, (D) that the Equipment conforms to the Lease and all purchase orders issued pursuant thereto, (E) that the Lessee has not received notice and has no knowledge of any defect of any nature whatsoever in the Equipment, (F) that the Lessee has irrevocably and unconditionally accepted the Equipment under the Lease, and (G) that neither Republic nor the Lessee is in default under the Lease and that no condition exists and no event has occurred which, with the passage of time or the giving of notice or both, would constitute a default under the Lease

6 The Lessee agrees to pay timely and fully to the Assignee and its successors and assigns all Payments and not to assert against the Assignee, its successors or assigns, or any of their respective lenders any counterclaim, right of offset, claim, defense, or right to rescind or terminate the Lease, as a result of any claim or right that the Lessee may now or hereafter have with respect to Republic

7 The Lessee agrees that the Assignee may sell and assign and may grant security interests, in, conditionally assign, and otherwise encumber all or any part of the Assignee's right, title, and interest in and to the Lease, including, but not by way of limitation, the Payments, and, subject to the Lease, the Equipment Further, the Lessee agrees that (A) the holder of any encumbrance on any such right, title, or interest and its successors and assigns shall not be personally liable for the performance of any obligations under the Lease, whether before or after any foreclosure of such encumbrance, (B) any such holder and its successors and assigns shall have and may exercise all of the rights and remedies of the Assignee and its successors and assigns under the Lease and with respect to the Equipment, including, but not by way of limitation, all rights of inspection, to grant or withhold consents, to receive notices (which shall also be given to the Assignee), to be indemnified, and to be reimbursed by the Lessee for its costs and attorney's fees incurred in exercising such rights and remedies, and (C) from time to time upon the request of such holder or its successors or assigns, the Lessee will sign, acknowledge, and deliver, as is appropriate all documents or instruments necessary or convenient to establish, continue, or confirm such encumbrances of such holder and its successors and assigns

8 The Lessee acknowledges that the Lessee's signing and delivering of this document is a condition of the sale and assignment referred to in paragraph 1 herein, that neither Republic nor the Assignee would enter into such sale and assignment, except in reliance upon the acknowledgements, agreements, representations and warranties of the Lessee set forth in this document, and, that Republic, the Assignee, their respective successors and assigns, and any holders and potential holders of any encumbrance of any such right, title, or interest in or to the Equipment or the Lease are entitled to rely upon such acknowledgements, agreements, representations, and warranties

9 The Lessee is the debtor under a Loan and Security Agreement (the "Agreement") dated June 8, 1993, between Michigan National Bank, as agent for Michigan National Bank, Daiwa Bank, NBD, National Bank of Canada and Bank of Alma, and the Lessee, as borrower The Lessee and the Assignee agree that any Event of Default under the said Agreement will be an Event of Default under the Lease and that any Event of Default under the Lease will be an Event of Default under the Agreement

10 The parties hereto agree that this document may be signed in counterparts that, together, shall constitute one document This document shall be controlled by, and enforced in accordance with, the laws of the State of Colorado

11 This document shall be binding upon, and inure to the benefit of, Republic, the Lessee, the Assignee, and their respective successors and assigns

Signed as of August 26, 1994

REPUBLIC FINANCIAL CORPORATION
a Colorado corporation

LOBDELL EMERY CORPORATION,
a Michigan corporation

By W. R. Hall Janette M. Helchome
Title S.V.P. Asst. Secretary

By Clifford C. Neely
Title Asst. Treasurer

NBD LEASING, INC.,
an Indiana corporation

By [Signature]
Title Vice President

SECOND AMENDMENT OF MASTER LEASE AGREEMENT

Pursuant to the requirements of the Master Lease Agreement (the "Master Agreement") dated May 20, 1993, and as amended November 30, 1993, between Republic Financial Corporation ("Lessor"), a Colorado corporation, and The Lobdell-Emery Manufacturing Company ("Lessee"), a Michigan corporation, the Lessee has notified Lessor that the legal name of the corporation has been changed by filing a Certificate of Amendment to the Articles of Incorporation on July 22, 1994. Therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Master Agreement is hereby amended by changing the name of "The Lobdell-Emery Manufacturing Company" to "Lobdell Emery Corporation" wherever it appears.

As amended by this document, the Master Agreement is hereby ratified and confirmed in all respects. Each Equipment Lease (as defined in the Master Agreement) hereafter incorporating the Master Agreement will do so as the Master Agreement has been amended by this document.

Dated August 26, 1994

REPUBLIC FINANCIAL CORPORATION,
a Colorado corporation

By W. Russell Dutt

Title S. V. P.

And,
by Marjorie M. Hillhouse

Title Asst. Secretary

LOBDELL EMERY CORPORATION,
a Michigan corporation

By Clifford C. Dwyer

Title Asst. Treasurer

AMENDMENT OF MASTER LEASE AGREEMENT

In order to correct a scrivener's error appearing in the Master Lease Agreement ("the Master Agreement") dated May 20, 1993, and numbered M-10572, between Republic Financial Corporation ("Lessor"), a Colorado corporation, and The Lobdell-Emery Manufacturing Company ("Lessee"), a Michigan corporation, and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Master Agreement is hereby amended by changing the name of "Lobdell-Emery Manufacturing Company" to "The Lobdell-Emery Manufacturing Company" wherever it appears.

As amended by this document, the Master Agreement is hereby ratified and confirmed in all respects. Each Equipment Lease (as defined in the Master Agreement) hereafter incorporating the Master Agreement will do so as the Master Agreement has been amended by this document.

Dated November 30, 1993.

REPUBLIC FINANCIAL CORPORATION,
a Colorado corporation

By: Frederick L. Davis

Title: Vice President

And,

by: Janette M. Hillhouse

Title: Asst. Secretary

THE LOBDELL-EMERY MANUFACTURING COMPANY,
a Michigan corporation

By: Clifford C. Harvey

Title: Asst. Treasurer

10/04/2004 12:20:46 PM 751 BANC ONE LEASING PUBLIC FINANCIAL

NO 132 P 2/3

**EXTENSION OF LEASE
TO EQUIPMENT LEASE #M-06-080994A**

RE. Master Lease Agreement dated May 20, 1993, as amended November 30, 1993 and August 26, 1994, and its related Equipment Lease Number M-06-080994A dated August 26, 1994 (the "Lease") for the lease of Engineering, Labor and Capital Equipment Components for the Addition of Nine (9) New Workstations and Related Support Equipment to alter PN63 Welding Line to produce PN105 parts more fully described on attached Equipment Schedule ("Equipment"), by and between Banc One Leasing Corporation (as successor in interest to NBD Leasing, Inc.), as assignee of Republic Financial Corporation, as Lessor ("Lessor") and Lobdell Emery Corporation, a Michigan corporation, as Lessee ("Lessee").

This Agreement is dated as of November 1, 2003 and sets forth the terms and conditions per Section 10 of the Lease, with regard to the extension of the initial term of the Lease.

The Lease originally commenced November 1, 1994 for a term of sixty (60) months, payments due monthly in arrears, each in the amount of \$15,321.00 per month, tax exempt as Production Equipment. The original term concluded October 31, 1999.

The original term of the Lease was automatically extended on November 2, 1999 for a twenty-four (24) month term to conclude October 31, 2001.

The Lease was further extended by agreement dated November 1, 2001 for a period of twenty-four (24) months, to conclude October 31, 2003.

Lessor and Lessee agree as follows:

1. **TERM.** The extended term of the Lease is hereby further extended for a twelve (12) month period commencing November 1, 2003 and continuing through October 31, 2004.

2. **RENTAL.** The monthly rental shall be \$5,788.00 plus \$-0- tax (exempt), for a total of \$5,788.00, due and payable in arrears each month on the last day of the month. Lessor will invoice 30 days in advance and send Lessee a monthly invoice for \$5,788.00 plus tax \$-0- to total \$5,788.00 to Lobdell Emery Corporation, Attn: Accounts Payable, at 1325 E. Superior Street, Alma, Michigan 48801.

3. **EQUIPMENT LOCATION.** 2190 Landmark Avenue, Corydon, Indiana (Harrison County).

4. **INSURANCE.** It is agreed that the Stipulated Loss Value as described in the Master Lease Agreement will be 25% of the Actual Total Equipment Cost for the term of this extension.

5. **OPTION TO PURCHASE.** Section 11 of the Lease is hereby amended to set the purchase price for the equipment at the expiration of the lease term, as extended, at \$150,000.00.

All other terms and conditions of the Lease remain in full force and effect. By signature below, the parties hereby acknowledge and agree to the terms and conditions as stated herein.

10/05/04 12:47PM BANC ONE LEASING LLC FINANCIAL

NO 132 P 3/3

Acknowledged and Agreed to by

BANC ONE LEASING CORPORATION

By: John R. Duerksen
Title: VICE PRESIDENT

Acknowledged and Agreed to by:

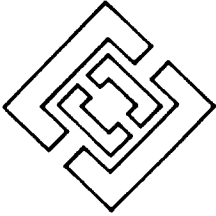
LOBDELL EMERY CORPORATION

By: [Signature]
Title: VP Account - Thompson
Signed by: Robert Krawciw

2

2

CHASE EQUIPMENT LEASING I, INC. A CHASE COMPANY

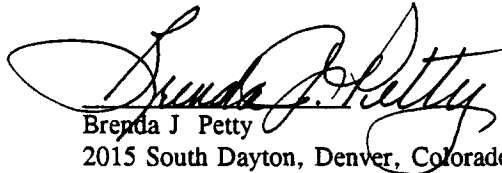


REPUBLIC FINANCIAL CORPORATION

August 31, 1994

State of Colorado, County of Arapahoe, I, Brenda J Petty, a Notary Public in and for said state, do certify that on August 31, 1994, I carefully compared the attached facsimiles of the Master Lease Agreement, the Amendment Of Master Lease and the Second Amendment Of Master Lease with the originals I now hold in my possession. They are complete, full, true and exact facsimiles of the documents they purport to reproduce.

(Seal)



Brenda J Petty
2015 South Dayton, Denver, Colorado 80231

Commission Expires February 7, 1998

LOBDELLS DOCC FAC 11

DECLARATION AND WAIVER

The undersigned in consideration of REPUBLIC FINANCIAL CORPORATION, ("REPUBLIC") now or hereafter leasing or otherwise extending financial accommodation with respect to certain equipment and personal property to LOBDELL EMERY CORPORATION ("Customer") in accordance with the terms of that certain lease or equipment financing agreement, as appropriate, dated August 26, 1994, and any other leases or other agreements hereafter between REPUBLIC and Customer and for other good and valuable consideration, receipt whereof is hereby acknowledged, does hereby agree, waive and undertake as follows

1 Neither such equipment and personal property or any portion thereof shall become or be a part of or an accession or addition to or a fixture on the real property hereafter described even though it is installed thereon or in some manner attached thereto, nor shall such equipment or personal property or any portion thereof be moved from such real property until REPUBLIC's written consent thereto shall first be had and obtained

2 The undersigned shall acquire no title to or interest in such equipment and personal property or any portion thereof by virtue of such installation or attachment. The undersigned further waives any right to seize, or to claim any interest whatsoever in, said equipment and personal property or any portion thereof on account of any claim or right the undersigned may have against any person, including, without limitation any claim or right the undersigned may have or assert against Customer, by levy of distraint or otherwise

3 REPUBLIC may at any time, at its option, enter upon the property upon which said equipment and personal property or a portion thereof is located, and inspect or remove said equipment and personal property or a portion thereof at its sole cost and expense, and it agrees to make such repairs caused by any such removal to the extent reasonably necessary to restore such property to its condition immediately prior to such removal. Notwithstanding the foregoing, and without prejudice to such other remedies as it may have, if REPUBLIC's entry and removal of any such equipment and personal property follows the undersigned's breach of the covenants contained in Paragraph 1 hereof, REPUBLIC shall not be liable either for costs of or for damages to the real property sustained by the undersigned as a result of the removal of said equipment and personal property

4 All of the terms and conditions of the Waiver shall be binding upon the heirs, successors in interest, assigns or encumbrancers of the undersigned, and shall inure to the benefit of REPUBLIC, its successors and assigns. As used herein the term "Customer" shall include the successors in interest and assigns of Customer

The real property upon which such equipment and personal property is located is described as per attached Exhibit A,

Executed this 30 day of August, 1994

LOBDELL EMERY CORPORATION,
Name of Company or Person(s)

By *Clifford C. Emery*
(Owner, ~~Lessor, Mortgagee, Beneficiary~~)
Strike out inapplicable capacities

(If interest is held jointly or in common, all joint tenants or tenants in common must execute this document)

NOTARIAL ACKNOWLEDGEMENT

State of Michigan)
County of GRATIOT)ss

On this 30 day of August, 1994, before me personally came C. Suina to me known to be the Asst. Treasurer of the corporation that executed the foregoing instrument and to me known to be the person who executed said instrument on behalf of said corporation, and acknowledged that such corporation executed the same pursuant to its By-laws or a resolution of its Board of Directors

In witness whereof I hereunto set my hand and official seal

(SEAL)

James E Bowen
Notary Public

My Commission Expires 10-4-95

JAMES E BOWEN, NOTARY PUBLIC
GRATIOT COUNTY STATE OF MICHIGAN
MY COMMISSION EXPIRES 10 04 95

BILL OF SALE

For \$760,657 00, in hand paid to Lobdell Emery Corporation (the "Seller"), a Michigan corporation, by NBD Leasing, Inc (the "Buyer"), an Indiana corporation, and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Seller has sold, assigned, and conveyed, and does hereby sell, assign, and convey, to the Buyer the property (the "Property") described in, and located at the Equipment Location set forth in, the attached Equipment Schedule (which is hereby incorporated herein by reference)

The Seller warrants to the Buyer that, at the time of this Bill Of Sale, the Seller is the owner and holder of good, indefeasible, and marketable title to all of the Property and that the Property is free and clear of all liens, security interests, and encumbrances of every nature whatsoever. The Seller covenants with the Buyer to warrant and defend the sale of the Property to the Buyer against anyone claiming or having any right, title, or interest therein or any lien, security interest, or encumbrance thereon.

This Bill Of Sale will be governed by, and construed in accordance with, the laws of the State of Indiana.

Dated as of August 26, 1994

LOBDELL EMERY CORPORATION
a Michigan corporation

By

Clifford C. Swing

Title

Asst. Treasurer

STATE OF Michigan)

) ss

County of Gratiot)

The foregoing instrument was acknowledged before me August 30, 1994, by Clifford Swing, as Asst. Treasurer of Lobdell Emery Corporation, a Michigan corporation.

Witness my hand and official seal

James E. Bowen
Notary Public

My commission expires 10-4-95

JAMES E. BOWEN NOTARY PUBLIC
GRATIOT COUNTY STATE OF MICHIGAN
MY COMMISSION EXPIRES 10 04 95

EQUIPMENT LEASE

REPUBLIC FINANCIAL CORPORATION

('Lessor')

Lessee No M-10572

Master Agreement Date May 20, 1993,
as amended 11/30/93 and 8/26/94

Equipment Lease No M-06-080994A

Rent Commencement Date November 1, 1994

Lessee

(full legal name and address)

Supplier of the Equipment

(name and address)

Lobdell Emery Corporation
1325 E Superior Street
Alma, Michigan 48801Modern Engineering
42850 West 10 Mile Road
Novi, Michigan 48376-8019Contact Cliff Suing, Asst Treasurer
Telephone (517) 463-3151Salesman Judy Stefaniak
Telephone (810) 578-6076

1 **Interim Rent** Rent for the period commencing on the date of the Certificate of Acceptance and ending on the day before the Rent Commencement Date will be calculated on a per diem basis calculated by dividing 0201418 by 30 and multiplying the quotient by the Actual Total Equipment Cost. Such rent will be payable monthly in arrears, will be due within ten (10) days after Lessor invoices Lessee therefor, and will be in addition to all other rent provided to be paid under this Equipment Lease.

2 **Rent** Commencing on the Rent Commencement Date the rent will be \$15,321.00, plus, initially, \$0.00 (exempt) for taxes, totalling \$15,321.00, payable monthly in arrears, with the first payment being due December 1, 1994 and each succeeding payment being due on the first day of each calendar month thereafter throughout the term of this Equipment Lease.

3 **Expiration** The term of this Equipment Lease will expire sixty (60) calendar months after the Rent Commencement Date, unless extended in accordance with this Equipment Lease.

4 **Lease** The Master Lease Agreement (the "Master Agreement") dated as is set forth above is hereby incorporated herein by reference and a copy thereof is attached hereto. Except as is specifically provided to the contrary herein, the provisions of the Master Agreement are the provisions of this Equipment Lease. The amendments to said Master Agreement set forth herein apply only to this Equipment Lease. With respect to any other equipment lease or document that incorporates provisions of the Master Agreement, whether now existing or hereafter delivered or entered into, the amendments to the Master Agreement set forth in this Equipment Lease do not have the effect of amending the Master Agreement with respect to such other equipment lease or document.

5 **Sale And Lease Back** This Equipment Lease is part of a sale and lease back transaction whereby Lessee is selling, assigning, and transferring to Lessor the Equipment and all warranties and guarantees applicable thereto, with full warranties of title and free from all liens, security interests, encumbrances, and rights and interests of third-parties. Upon being delivered Lessee's bill of sale for the Equipment (in a form and of a content as is satisfactory to Lessor), the Certificate of Acceptance, and the financing statement searches, real estate waivers, opinion of Lessee's counsel, and other documents and instruments requested by Lessor, Lessor will pay the third party Supplier the Actual Total Equipment

Cost, in full payment of all monetary consideration for the Equipment Lessee hereby warrants to Lessor that the sale and lease back nature of the transactions provided for by this Equipment Lease do not violate any law pertaining to the fraudulent retention of possession of property after its sale or the fraudulent transfer of property

6 **Equipment Loss** Notwithstanding the provisions of the second physical paragraph of paragraph 19 of the Master Agreement, (A) if phrase (3) of the said paragraph 19 is not applicable, (B) if prior to the expiration of the 30 day period referred to in phrase (A) or (B) of the said paragraph 19 (whichever is applicable), Lessee delivers to Lessor Lessee's irrevocable, written covenant to repair or replace the Equipment (whichever is applicable) in accordance with the said paragraph 19 and to do so promptly and in no event later than 60 days following the expiration of the said 30 days, (C) if since the occurrence of the subject Event of Loss Lessee has been diligently pursuing such repair or replacement, and (D) if no Event of Default has occurred that remains uncured and no event has occurred that, with the giving of notice or the passage of time, would constitute an Event of Default, then, the said 30 day period referred to in phrase (A) or (B) of the said paragraph 19 (whichever is applicable) will be extended for one additional 60 day period, provided that neither Lessor nor Secured Party will be obligated to reimburse Lessee from insurance proceeds for any expenses pursuant to paragraph 20 of the Master Agreement until after such repair or replacement has been completed in accordance with the said paragraph 19 and that, by delivering such written covenant, Lessee irrevocably waives its right to make the election provided for in phrase (4) of the said paragraph 19 The foregoing does not affect the provisions of phrase (3) of the said paragraph 19

7 **Extended Term Amendment** For the purposes of this Equipment Lease, in the first physical paragraph of paragraph 16 of the Master Agreement "18" is hereby amended to be "12"

8 **Stipulated Loss Value** The Stipulated Loss Value for the Equipment is as set forth in the attached Stipulated Loss Value Schedule

9 **Early Termination Of The Term** Lessee is granted the option (the "Termination Option") to terminate the term of this Equipment Lease as of the end of the 30th calendar month following the Rent Commencement Date The Termination Option may be exercised only by Lessee delivering to Lessor written notice (the "Termination Notice") of such exercise not more than 18 full calendar months nor less than 12 full calendar months prior to the end of such 30th calendar month, and no attempted exercise of the Termination Option will be effective if, on the date of the Termination Notice or at the end of such 30th calendar month, any Event of Default exists or any event has occurred or circumstance exists that, with the giving of notice or the passage of time or both, would constitute an Event of Default The effective termination of the term of this Equipment Lease pursuant to the Termination Option is subject to the condition that Lessee pays all amounts payable by Lessee in accordance with this Section 9, whether such amounts become due before, on, or after the end of such 30th calendar month The Termination Option will terminate if it is not timely and effectively exercised

If Lessee timely delivers to Lessor the Termination Notice, Lessor will, not later than 180 days prior to the end of such 30th calendar month, select and hire a qualified third-party (as reasonably determined by Lessor) to inspect, test and prepare a written report on each item of the Equipment (including, without limitation, the Logs) to determine whether the same then conforms with the provisions of this Equipment Lease, including (without limitation) those provisions pertaining to the maintenance repair and replacement of the Equipment and Lessee will pay the fees and costs of such third-party when due Lessee will fully cooperate with such third-party

Such third-party will deliver a copy of such report to Lessee and Lessor. Within 30 days following its receipt of such report, Lessee will deliver to Lessor Lessee's written certificate (A) setting forth with specificity each item in such report that Lessee claims to be inaccurate and Lessee's position as to why such item is inaccurate, (B) stating that the Logs are and, at the end of such 30th calendar month, will be accurate and complete, (C) stating that the Equipment is free and clear of all liens, security interests, encumbrances, and claims of third-parties (including, without limitation, claims of any right of possession or use), other than those arising by or through Lessor that are not to be paid or discharged by Lessee pursuant to this Equipment Lease, and (D) setting forth the then current number of hours of use of the Equipment during the term of this Equipment Lease. Lessee will promptly deliver to Lessor such written documentation as Lessor may reasonably request to support the contents of such certificate. If and to the extent that Lessee fails to claim timely that such report is inaccurate, Lessee will be deemed to have agreed that such report is accurate and complete. It will be an Event of Default under this Equipment Lease if, at the end of such 30th calendar month, any item of the Equipment has not been maintained, repaired, or replaced in accordance with this Equipment Lease, and Lessee will be liable to pay Lessor an amount equal to 150% of Lessor's cost to complete such maintenance, repairs, and replacements, whether Lessor actually does the same.

During the period commencing with the date of the Termination Notice and ending 12 calendar months after the end of such 30th calendar month, Lessor will use its best efforts to sell the Equipment as of the end of such 30th calendar month, for cash, by public or private sale to one or more purchasers, and at a sale price determined by Lessor in the exercise of its reasonable discretion. Neither Lessee nor any affiliate of Lessee, nor the owner of the tooling portion of the weldline, may be a direct or indirect purchaser of any of the Equipment. Lessor may abandon (but is not obligated to abandon) in place or otherwise so much of the Equipment as Lessor reasonably determines, provided that any calculation of the Stipulated Loss Value will be made without regard to such abandonment. Lessee will cooperate fully with Lessor's efforts to sell the Equipment and, upon demand of Lessor from time to time, will reimburse Lessor or directly pay all costs pertaining to any such sale or any attempted sale, including (without limitation) costs for maintaining, repairing, replacing, refurbishing, disassembling, storing, insuring, shipping, and assembling the Equipment, for modifications and additions to the Equipment, and for software licenses, software modifications and upgrades, appraisals, advertising, auction services, and brokerage services. Prior to the end of such 30th calendar month and, as and to the extent requested by Lessor from time to time during the 12 calendar months thereafter, Lessee (at its sole cost and risk) will maintain the Equipment at the Equipment Location in a fully assembled and operational condition, will provide all power, lighting, heat, lubricants, personnel, feed stock, and other items necessary to demonstrate fully the operation of the Equipment, and will demonstrate the operation of the Equipment or any part thereof to prospective mortgagees and purchasers thereof. As and to the extent requested by Lessor from time to time following the end of such 30th calendar month, Lessee (at its sole cost and risk) will promptly disassemble, pack, store (for a period not to exceed 12 calendar months), transport, deliver to one or more locations designated by Lessor, and properly reassemble the Equipment.

If Lessor designates any location outside the United States of America as a point of delivery for any of the Equipment, Lessee (at its own cost) will provide all necessary licenses, permits, and other documents issued by public authorities (including without limitation those required by the countries of export, import, and transit and otherwise required to place the Equipment at the disposal of Lessor or its designee) and will pay all duties, fees, and taxes (including without limitation custom clearance fees and VAT taxes).

If any of the Equipment is to be disassembled, packed, stored, transported, delivered, or reassembled pursuant to this Section 9, Lessee (at its own cost) will cause all of the procedures for doing

so that are recommended by the Supplier or any manufacturer of the Equipment to be followed (including, without limitation the use of shipping stands, skids, lifting slings shipping brackets and locks and storage fluids and the removal and appropriate disposal of fluids) and will cause each disassembled part of the Equipment to be descriptively labeled in a non-injurious manner and in such a manner as to allow the forthright reassembly of the Equipment

At the end of such 30th calendar month and as the consideration for such termination of the term of this Equipment Lease Lessee will pay Lessor an amount equal to 43 72% of the Actual Total Equipment Cost (the "Termination Payment"), subject to being refunded in whole or in part in accordance with this paragraph If the total sale price for the Equipment sold pursuant to this Section 9 and received in cash by Lessor exceeds the difference between the Stipulated Loss Value for all of the Equipment at the end of such 30th calendar month and the Termination Payment, then, as a refund on the Termination Payment, Lessor will pay Lessee the amount of such excess to the extent that it is not greater than the Termination Payment Lessee does not have, and will not acquire, any right, title, or interest in or to the Equipment or any proceeds of the Equipment

10 **Option To Extend** Lessee is granted two (2) options to extend the term of this Equipment Lease by twelve (12) calendar months Each option may be exercised only while no Event of Default exists and by Lessee timely delivering to Lessor written notice of such exercise With respect to the first such option to be exercised, such written notice must be delivered to Lessor at least 12 full calendar months prior to the expiration of the term hereof, with respect to the second such option to be exercised, such written notice must be delivered to Lessor at least 6 full calendar months prior to the expiration of the term hereof All unexercised options will terminate upon any termination of this Equipment Lease or the failure to exercise timely any option

Upon the commencement of each such extension of the term of this Equipment Lease, the amount of the rent payable pursuant to the paragraph herein entitled Rent will be changed to the fair market rental value of the Equipment (supposing that the Equipment is in use for its originally intended purpose and has been maintained, repaired, and replaced in accordance with this Equipment Lease and based upon its value in place and in use) on the date of such commencement If Lessor and Lessee do not agree upon the amount of such fair market rental value within 60 days following the exercise of the option, Lessor will hire an appraiser (to whom Lessee does not unreasonably object within 7 days after Lessor gives Lessee written notice of its selection) to determine such fair market rental value, and Lessee will pay the fees of such appraiser The fair market rental value, as determined by such appraiser, will be final and binding Notwithstanding the foregoing, under no circumstances will such fair market rental value be less than \$9,192 60 per calendar month (i e , 60% of the rent set forth in Section 2 herein)

11 **Option To Purchase** Lessee is granted the option to purchase all of Lessor's right, title, and interest in the Equipment upon the expiration of the term of this Equipment Lease The option may be exercised only while no Event of Default exists and by Lessee timely delivering to Lessor written notice of such exercise If the term hereof has not previously been extended in accordance with any provision of this Equipment Lease, such written notice must be delivered to Lessor at least 12 full calendar months prior to the expiration of the term hereof, if the term hereof has previously been extended in accordance with any provision of this Equipment Lease such written notice must be delivered to Lessor at least 6 full calendar months prior to the expiration of the term hereof The option will terminate upon any termination of this Equipment Lease or the failure to exercise timely the option The option will be a contractual right only, between Lessor and Lessee and will not create in favor of Lessee any right title, or interest in the Equipment

The purchase price for the Equipment will be the fair market value thereof (supposing that the Equipment is in use for its originally intended purpose and has been maintained, repaired, and replaced in accordance with this Equipment Lease and based upon its value in place and in use) on the date of the expiration of the term hereof, payable in cash on such date. If Lessor and Lessee do not agree upon the amount of such fair market value within the 60 days following the exercise of the option, Lessor will hire an appraiser (to whom Lessee does not unreasonably object within 7 days after Lessor gives Lessee written notice of its selection) to determine such fair market value, and Lessee will pay the fees of such appraiser. The fair market value, as determined by such appraiser, will be final and binding.

Provided that Lessee has timely exercised the option and has paid and performed all of its liabilities and obligations under this Equipment Lease (including the payment of the purchase price), on the date of the expiration of the term of this Equipment Lease Lessor will sell and assign to Lessee all of Lessor's right, title, and interest in the Equipment. SUCH SALE AND CONVEYANCE WILL BE ON AN "AS IS, WHERE IS" BASIS, WITHOUT WARRANTIES OF ANY NATURE, EXPRESS OR IMPLIED (INCLUDING, BUT NOT BY WAY OF LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PURPOSE), EXCEPT AGAINST LIENS AND ENCUMBRANCES ARISING BY OR THROUGH LESSOR.

12 **Tax Indemnities** Lessee hereby represents and warrants to Lessor as follows: (A) Lessor, as owner of the equipment, will be entitled to the following described tax benefits (the "Tax Benefits"):

(1) To depreciation deductions under Section 167(a) of the Internal Revenue Code of 1986, as amended prior to the date hereof, (the "Code") determined in accordance with the Accelerated Cost Recovery System under Section 168(a) and (b)(1)(A) and (B) of the Code, with Lessor recovering the Actual Total Equipment Cost and the Equipment being classified as three (3) year recovery property within the meaning of Section 168(c) of the Code,

(2) To interest deductions under Section 163(a) of the Code, for all interest paid or accrued by Lessor (in accordance with Lessor's method of accounting) on any indebtedness used to finance the purchase of the Equipment and on any refinancings thereof, and,

(3) To exclude from Lessor's gross income (a) all amounts payable to Lessor under, or with respect to, this Equipment Lease, except for payments of periodic rent and any payment that is or represents a payment for the purchase of the Equipment and (b) any amount attributable to any addition to, or modification or improvement of, the Equipment made by or on behalf of, or paid for by, Lessee.

(B) Neither Lessee nor any entity in control of it, controlled by it, or under common control with it will, directly or indirectly, take any action or file any election, return, or other document inconsistent with the foregoing. Lessee and each such entity will promptly and timely prepare and file every election, return, or other document and take whatever actions as are necessary by it to effectuate the foregoing or as are requested by Lessor with respect to the foregoing. Lessee and each such entity will allow Lessor to inspect and copy and, at the request of Lessor, will inspect and copy for Lessor all records of filings made by Lessee or such entities with respect to the foregoing.

If, because of any misrepresentation, act, or failure to act by Lessee, Lessor loses, does not have, or loses the right to claim, or there is disallowed or recaptured any of the Tax Benefits then, Lessee will pay Lessor all interest, penalties, assessments, and additions to tax (in the nature of a penalty) payable by Lessor in connection with the foregoing plus whichever of the following is applicable:

(a) If the Determination (hereinafter defined) is during the 180 days prior to the expiration of the term of this Equipment Lease, then, within 10 days following the Determination (hereinafter defined), Lessee will pay Lessor an amount that, after the deduction of all taxes required to be paid by Lessor with respect to the receipt of such amount and the said interest, penalties, assessments, and additions to tax to any local, state, federal, or foreign taxing authority, will equal the additional income taxes payable to all taxing authorities by Lessor as a result of its losing, failing to have or obtain, or recapturing the Tax Benefits (as is applicable), or,

(b) Otherwise, commencing with the first periodic rent payment due following the Determination (hereinafter defined), the then remaining unpaid, periodic rent payments payable during the balance of the term of this Equipment Lease, as extended, will be increased so that Lessor receives the same after tax economic yield with respect to this Equipment Lease, using the maximum rates of such taxing authorities (not including alternative minimum tax rates or environmental tax rates) then established under law as being applicable to corporations known as "C corporations" under the Code for the duration of the term of this Equipment Lease, as Lessor would have received had the Tax Benefits herein been or remained available for, and been fully utilized by, Lessor during such term

If Lessor files a tax return acceding to, or pays an amount confirming, any loss, absence or loss of any right to claim, disallowance, or recapture of any of the Tax Benefits (a "Determination"), Lessor will give Lessee prompt written notice thereof

Upon demand, Lessee will pay Lessor all reasonable costs and expenses incurred by Lessor, including reasonable attorney and accountant fees and court costs, with respect to any action taken with respect to establishing, contesting, or settling any matter concerning the Tax Benefits

A misrepresentation or breach of warranty by Lessee with respect to the representations and warranties set forth above concerning Lessor's ownership of the Equipment for federal income tax purposes and concerning Lessor entitlement to the Tax Benefits will not constitute an Event of Default as described in paragraph 25(B) of the Master Agreement, provided that an Event of Default may arise as a consequence thereof if Lessee fails to perform and pay its obligations and liabilities under this paragraph 11 pertaining to such misrepresentation or breach of warranty

The provisions of this Section 12 will survive the expiration of the term or any earlier termination of this Equipment Lease

13 Additional Provisions Concerning The Equipment At any time that the Equipment is to be delivered to Lessor or its designee pursuant to this Equipment Lease, the Equipment will be in such state of maintenance, repair, and replacement that (A) the Equipment is capable of routinely producing products within the tolerances and at least at the capacities originally specified by the Supplier and/or manufacturers of the Equipment, (B) the motors constituting part of the Equipment are capable of sustained operation at their originally rated capacities set by the Supplier and/or manufacturers thereof, (C) each safety device constituting a part of the Equipment is fully operational and at least meets all then current requirements of each governmental authority having jurisdiction over the same and of Lessee's insurance carriers, (D) all certifications and/or inspections of each tank, valve, and other part constituting part of the Equipment have been obtained in accordance with the requirements of each governmental authority having jurisdiction over the same and have not less than two years remaining before their expiration, (E) each part constituting a part of the Equipment that is subject to wear and overhaul or replacement has not less than 50% of its ordinary in service life remaining, and (F) the Equipment is clean, free of rust and corrosion, and has appropriately painted or treated exterior surfaces

If any of the Equipment is to be dismantled, packed, handled, stored, or shipped during the term of this Equipment Lease or in discharge of any obligation of Lessee, then, Lessee will cause all of the procedures for doing so that are recommended by the Supplier and/or manufacturers of the Equipment to be followed, including (without limitation) the use of shipping stands, skids, lifting slings, shipping brackets and locks, and storage fluids and the removal and appropriate disposal of fluids. Additionally, each disassembled part of the Equipment will be descriptively labeled in a non-injurious manner and in such a manner as to allow the forthright reassembly of the Equipment.

The foregoing provisions are in addition to and do not limit the provisions of the Master Agreement.

Dated August 26, 1994

LESSOR

REPUBLIC FINANCIAL CORPORATION,
a Colorado corporation

By W. R. Ditt

Title S. V. P.

And, by Janette M. Hulhouse

Title Asst. Secretary

Location of Lessor's Chief
Executive Office

3300 S. Parker Road, Suite 500
Aurora, Colorado 80014

LESSEE

LOBDELL EMERY CORPORATION
a Michigan corporation

By Clifford C. Shury

Title Asst. Treasurer

Location of Lessee's Chief
Executive Office

1325 East Superior Street
Alma, Michigan 48801

EQUIPMENT SCHEDULE

LOBDELL EMERY CORPORATION

Equipment Lease No M-06-080994A

Dated August 26, 1994

Equipment Location 2190 Landmark Avenue, Corydon, Indiana (Harrison County)

Estimated Total Equipment Cost \$760,657 00

Actual Total Equipment Cost \$760,657 00

All Engineering, Labor and Capital Equipment Components for the Addition of Nine (9) Workstations and Related Support Equipment to alter PN63 Welding Line to produce PN105 pl including

New Welding Stations #1A, 16A & B, 16 to 16A Transfer, 17A through 23A, and two (2) additional Overhead Transfer Units including

Welding Station #1A (completes 4 spots)
Four (4) Weld Gun Assemblies

Welding Station #16A (completes 3 spots)
One (1) Base Structure
Two (2) Transgun Assemblies
One (1) Gun Dump Unit
One (1) Gun Index Slide Unit
Two (2) Locating Pin Units
Seven (7) Clamp Units
Seven (7) Part Locator Units
Five (5) Rough Locator Units

Welding Station #16B (idle station)
One (1) Base Structure
Three (3) Part Locator Units
Two (2) Locating Pin Units
Five (5) Rough Locator Units

Welding Station #17A (completes 7 spots)
One (1) Base Structure
Seven (7) Transgun Assemblies
Two (2) Gun Dump Units
Two (2) Locating Pin Units
Ten (10) Clamp Units
Ten (10) Part Locator Units
One (1) Part Loader Unit
Five (5) Rough Locator Units

Welding Station 18A (completes 9 spots)

One (1)	Base Structure
Nine (9)	Transgun Assemblies
Four (4)	Gun Dump Units
Two (2)	Locating Pin Units
Eight (8)	Part Locator Units
Five (5)	Rough Locator Units

Welding Station 19A (completes 7 spots)

One (1)	Base Structure
Seven (7)	Transgun Assemblies
Three (3)	Gun Dump Units
Two (2)	Locating Pin Units
Eight (8)	Clamp Units
Eight (8)	Part Locator Units
Five (5)	Rough Locator Units

Welding Station 20A (completes 9 spots)

One (1)	Base Structure
Nine (9)	Transgun Assemblies
Three (3)	Gun Dump Units
Two (2)	Locating Pin Units
Eight (8)	Clamp Units
Eight (8)	Part Locator Units
Five (5)	Rough Locator Units

Welding Station 21A (completes 7 spots)

One (1)	Base Structure
Seven (7)	Transgun Assemblies
Four (4)	Gun Dump Units
Two (2)	Locating Pin Units
Eight (8)	Clamp Units
Eight (8)	Part Locator Units
Five (5)	Rough Locator Units

Welding Station 22A (completes 6 spots)

One (1)	Base Structure
Six (6)	Transgun Assemblies
One (1)	Gun Dump Unit
Two (2)	Locating Pin Units
Five (5)	Clamp Units
Five (5)	Part Locator Units
Five (5)	Rough Locator Units

Welding Station 23 (completes 2 spots)

One (1)	Base Structure
Two (2)	Transgun Assemblies
Two (2)	Gun Dump Units
Two (2)	Locating Pin Units
Five (5)	Clamp Units
Five (5)	Part Locator Units
Five (5)	Rough Locator Units

Miscellaneous

Two (2)	Overhead Transfer Units (located between #1 and 1A and between 16A through 23 and into 24)
One (1)	Crossover Transfer Unit (located between 16, 16A and 16B)
One (1)	Air Circuit
One (1)	Electrical Circuit
One (1) Lot	Tab Bending Ram Units
One (1)	Slide Assembly

SECRETARY'S CERTIFICATE
FOR
LOBDELL EMERY CORPORATION

The undersigned hereby certifies to Republic Financial Corporation as follows

1 I am the Secretary of Lobdell Emery Corporation (the "Company"), a Michigan corporation, and have full power and authority to make and deliver this certificate

2 The following is a true and complete extract from the records of the Company showing resolutions duly adopted by its Board of Directors on May 3, 19 94, which resolutions have not been in any way amended or modified and are in full force and effect

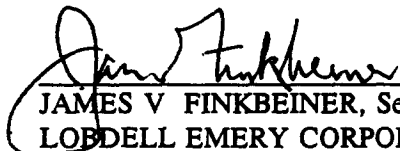
RESOLVED, that the lease of the Capital Equipment Components for the Addition of Nine (9) New Workstations and Related Support Equipment to Produce PN105 Parts to the PN63 Welding Line at 2190 Landmark Avenue, Corydon, Indiana in the approximate amount of Seven Hundred Sixty Thousand Six Hundred Fifty-Seven and 00/100 Dollars (\$760,657 00) be approved, and

RESOLVED, that D Kennedy Fesenmyer as Chairman of the Board, Michael E Regina as President, Charles L Dardas as Executive Vice President or Clifford J Sung as Assistant Treasurer (or any one of them) is authorized to execute such leases and other documents to affect the foregoing as they deem in the best interests of the Company

3 There are no provisions in the articles of incorporation, by-laws or resolutions of shareholders or the Board of Directors of the Company, there are no agreements with shareholders, lending institutions, or others, and there are no judgments, court orders, governmental restrictions, or laws which prohibit or limit the Company from entering into, being obligated to perform, or performing its obligations under the Master Lease Agreement and Equipment Lease contemplated by the foregoing resolutions

In witness whereof I have hereunto set my hand and the seal of the Company on August 26, 1994

CORPORATE
SEAL


JAMES V FINKBEINER, Secretary
LOBDELL EMERY CORPORATION



Joseph A Giampapa
Senior Counsel
Phone (614) 248-6056
Fax (614) 248-6060
joseph_a_giampapa@bankone.com

**Law, Compliance and
Government Relations Department**
OH1-0152
1111 Polaris Parkway
Columbus, OH 43271-0152

January 11, 2005

VIA OVERNIGHT MAIL

Oxford Automotive, Inc
c/o BMC
1330 E Franklin Avenue
El Segundo, CA 90245

RE Lobdell Emery Corporation
Case No 04-74386, Chapter 11

Dear Sir or Madam

Enclosed please find an original plus two copies of a Proof of Claim that we are filing on behalf of Chase Equipment Leasing, Inc, successor by merger to Banc One Leasing Corp, successor by merger to NBD Leasing, Inc in the above-captioned matter

Please return a time-stamped copy of the proof of claim to our office in the enclosed self-addressed stamped envelope provided for such use

Thank you for your consideration in this matter

Very truly yours,

A handwritten signature in black ink, appearing to read 'Joe Giampapa', written over the printed name 'Joseph A Giampapa'.

Joseph A Giampapa

JAG ca

Enclosures