

Buy and Sell Agreement

Office of Whitman Commercial REALTOR®, Lapeer, Michigan, Date: Dec 18, 2006

1. BUYER'S OFFER

The undersigned, Marvin Engineering Co. and Daniel Schreiber Hereinafter called the Buyer, HEREBY OFFERS TO BUY THROUGH Whitman Commercial THE FOLLOWING PROPERTY located in the City/Town of Lapeer, County of Lapeer, Michigan, commonly known as 290 McCormick Drive Legally described as\* see legal description attached as exhibit "A".

subject to any existing building and use restrictions, zoning ordinances and easements, if any for the sum of Two Million One Hundred Fifty Thousand and 00/100----- Dollars (\$ 2,150,000.00).

2. THE TERMS OF PURCHASE SHALL BE as indicated by "x" below: (other unmarked terms of purchase do not apply). Payment of such money shall be made in cash, certified check, or bank money order.

- CASH [X] The full purchase price upon execution and delivery of Warranty Deed.
NEW MTGE [ ] The full purchase price upon the execution and delivery of Warranty Deed, contingent upon Buyer's ability to obtain a Mortgage for no less than ... years, for no less than ... of purchase price at no more than ... % interest per annum which Buyer agrees to apply for within ... days and secure and accept commitment on or before ... date.
CONTRACT [ ] \$ ... upon execution and delivery of Land Contract, wherein the balance of \$ ... shall be payable in monthly installments of \$ ... or more including interest at ... % per annum, interest to start on date of closing and the first such payment to become due 30 days after closing date.
EQUITY [ ] Upon execution and delivery of: [ ] Assignment of vendee interest in land contract [ ] Warranty Deed subject to existing mortgage, Buyer to pay the difference (approximately \$ ...) between the purchase price and balance of said Mortgage or Land Contract which Buyer assumes and/or agrees to pay.

3. ALL IMPROVEMENTS AND APPURTENANCES ARE INCLUDED in the purchase price, including now in or on the property, the following: T.V. antenna and complete rotor equipment; garage door opener and transmitter(s); carpet; lighting fixtures and their shades; drapery and curtain hardware; window shades and blinds; screens, storm windows and doors; stationary laundry tubs; water softener (unless rented); water heater; incinerator; heating and air conditioning equipment; water pump and pressure tank; built-in kitchen appliances including garbage disposal; awnings; mail box; all plantings; fence(s). Exceptions: See Rider attached for additional items to be included in the sale.

4. All matters related to but not limited to zoning, soil borings, franchising, matters of survey, use permits, drain easements, rights of way, etc., are to be secured and paid for by Buyer unless otherwise specified in other provisions as set forth in Paragraph 3 of this agreement, or see addendum-attached hereto.

5. Seller shall be responsible for fire and extended coverage insurance until sale is closed.
6. PRORATIONS: Rent; insurance, if assigned; fuel; interest on any existing land contract, mortgage or other lien assumed and/or to be paid by the Buyer shall be adjusted to the date of closing of the sale.

7. PROPERTY TAXES AND ASSESSMENTS: The Seller shall be responsible for all real estate taxes before the date of closing and the Buyer shall be responsible for all real estate taxes on and after the date of closing. Taxes shall be prorated as though they are paid in arrears or advance, based on a calendar year or fiscal year.

8. TITLE INSURANCE: Seller shall provide to Buyer, at Seller's expense, an owner's policy of title insurance with standard exceptions in the amount of the sales price. Seller will apply for a commitment for title insurance within five (5) days after the Buyer has waived all other contingencies contained in this Agreement. Upon receipt of the commitment, Buyer shall have thirty (30) days to provide Seller with written notice of any objections. Seller will then have 30 days after receiving written notice to remedy the claimed defects. If Seller is unable to remedy the defects within 30 days, this Agreement shall terminate, and any deposit shall be refunded to Buyer.

9. Any evidence of title and supporting documents are to be examined by Attorney; Phone: Address:

10. SALE TO BE CLOSED on or before March 7, 2007 See Rider attached for additional information.

11. THE SELLER SHALL DELIVER and the Purchaser shall accept possession of said property subject to the rights of the following tenants None, if the Seller occupies the property, it shall be vacated on or before at days after closing. From the date of closing until the date of vacating the property as agreed, Seller shall pay the sum of \$ n/a per day. The REALTOR®/Broker shall retain from the amount due the Seller at closing the sum of \$ n/a as security for said occupancy charge, paying the Buyer the amount due him and returning to the Seller the unused portion as determined by the date the property is vacated and the key(s) surrendered to the REALTOR®/Broker.

12. FOR VALUABLE CONSIDERATION, Buyer gives Seller until December 21, 2006 to accept this offer and agrees that this offer, when signed, will constitute a binding agreement between Buyer and Seller and herewith deposits \$ 25,000.00 evidencing Buyer's good faith, said deposit to be held by said REALTOR®/Broker, and to apply as part of the purchase price. If this offer is not accepted or title is not marketable, or insurable or if the terms of purchase are contingent upon ability to obtain a new mortgage or if sale is on contract, subject to sale of such contract, or any other contingencies as specified, which cannot be met, this deposit to be refunded forthwith. In the event of default by Buyer, all deposits made hereunder may be forfeited as liquidated damages at Seller's election or alternatively, Seller may retain such deposits as part payment of the purchase price and pursue his legal or equitable remedies hereunder against Buyer.

13. CONDITIONS OF PREMISES: Buyer has personally inspected the property and accepts it in its AS IS present condition and agrees that there are no additional written or oral understandings except as otherwise provided in this Agreement.
[X] This Agreement is contingent upon a satisfactory inspection of the property, at Buyer's expense, by a licensed contractor and/or inspector of Buyer's choice no later than business days after the date of this contract. If Buyer is not satisfied with the results of the inspection, upon written notice from Buyer to Seller within this period, this contract shall terminate, and any deposit shall be refunded to Buyer.
[X] Buyer acknowledges that the Salesperson has recommended that Buyer obtain an inspection of the property by a licensed contractor and/or an inspector. Buyer does not desire to obtain an inspection of the property.

4. SELLERS DISCLOSURE: Not required.

- Buyer acknowledges that a Seller Disclosure Statement has been provided to Buyer.
- Seller shall provide Buyer with a Seller Disclosure Statement with Seller's acceptance of this offer. Pursuant to Public Act 92 of 1993, Buyer will have 72 hours after hand-delivery of the disclosure statement (or 120 hours after delivery by registered mail) to terminate this contract by delivery of a written notice to Seller or Seller's agent.
- 5. LEAD-BASED PAINT DISCLOSURE/INSPECTION: (For residential housing built prior to 1978.) Buyer acknowledges that prior to signing the Buy and Sell Agreement, Buyer has received and reviewed a copy of the Lead-Based Paint Seller's Disclosure Form completed by the Seller on \_\_\_\_\_, the terms of which are incorporated herein by reference.
  - Buyer shall have a \_\_\_\_\_ day opportunity after date of this agreement to conduct an inspection of the property for the presence of lead-based paint and/or lead-based paint hazards. (Federal regulations require a 10-day period or other mutually agreed upon period of time.) If Buyer is not satisfied with the results of this inspection, upon notice from Buyer to Seller within this period, this agreement shall terminate and any deposit shall be refunded to Buyer.
  - Buyer hereby waives his/her opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.
- 16. LAND DIVISION ACT: (For unplatted land only.) Seller and Buyer agree that the following statements shall be included in the deed at the time of delivery.
  - (a) The grantor grants to the grantee the right to make \_\_\_\_\_ (insert "zero," or a specific number, as appropriate) division(s) under section 108 of the land division act, Act No. 288 of the Public Acts of 1987.
  - (b) This property may be located within the vicinity of farm land or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act.
- 17. CLOSING COSTS: Unless otherwise provided in this Agreement, it is agreed that Seller shall pay all State transfer taxes and costs required to convey clear title. Unless otherwise provided in this Agreement, Buyer shall pay the cost of recording the deed and/or security interests and all mortgage closing costs required by mortgagee.

8. ARBITRATION:

Any claim or demand of Seller or Buyer arising out of the agreement but limited to any dispute over the disposition of any earnest money deposits or arising out of or related to the physical condition of any property covered by this agreement, including without limitation, claims of fraud, misrepresentation, warranty and negligence shall be settled in accordance with the rules, then in effect, adopted by the endorsed provider of arbitration services for the Michigan Association of REALTORS®. This is a voluntary agreement between the Buyer and Seller. Failure to agree to arbitrate does not affect the validity of the agreement. A judgment of any circuit court shall be rendered on the award or determination made pursuant to this agreement. This agreement is specifically made subject to and incorporates the provisions of Michigan law governing arbitrations, MCL 600.5001; MSA 27A.5001, as amended, and the applicable court rules, MCR 3.602, as amended. This agreement is enforceable as to all parties and brokers/agents who have agreed to arbitrate as acknowledged by their signatures below. The terms of this provision shall survive the closing.

The parties do not wish to agree at this time to arbitrate any future disputes.

19. OTHER PROVISIONS OR EXCEPTIONS: See Rider attached and made a part of this Buy and Sell Agreement.

20. RECEIPT IS ACKNOWLEDGED BY BUYER of a copy of this Agreement.

WITNESS: Ellis Whitman MARVIN ENGINEERING CO. INC.  
Daniel Schreiber, Purchaser  
 (Note: Please sign as you wish your name to appear on final papers.)

BUYER'S ADDRESS 400 Mc Cormick  
Lapeer MI 48446  
 Phone: (Res) 664 1816 (Office)

Received from above named Buyer deposit monies in the form of check \$25,000.00 by Ellis Whitman  
Peter Whitman, Broker Salesperson/REALTOR®/Broker

SELLER'S ACCEPTANCE Date 12/19/06 11:31  A.M.  P.M.

21. THE ABOVE AGREEMENT is hereby accepted \_\_\_\_\_ and/or see addendum attached hereto.

22. SELLER ALSO AGREES to pay REALTOR®/Broker above named a commission as stated in the Listing Agreement corresponding to the property described herein for negotiating this sale. All deposits are to be held by Whitman Commercial in accordance with the terms hereof and in accordance with the Occupational Code and the rules of the Bureau of Occupational and Professional Regulation of the Michigan Department of Consumer and Industry Services. If this sale is not consummated because of Seller's refusal to perform, then the commission shall be due and payable upon such refusal. If the sale is not consummated because of the Buyer's failure to perform and the deposit made herewith forfeited, Seller agrees that said deposit shall be applied first to reimburse REALTOR®/Broker for all expenses incurred by REALTOR®/Broker on Seller's behalf in performance of Seller's obligations hereunder, including but not limited to, abstracting charges, counsel, and fees of public officers and that \$ \_\_\_\_\_ of such deposit shall be retained by the REALTOR®/Broker in full payment for services rendered in this transaction.

23. RECEIPT IS ACKNOWLEDGED BY SELLER of a copy of this Agreement.

WITNESS: John S. [Signature] [Signature] SELLER  
CEO, CEP Products SELLER  
 (If Seller is married, both must sign)

SELLER'S ADDRESS CEP Holdings LLC  
3650 W. Market St. Akron, OH 44337  
 Phone: (Res) 216.501.7701 (Office)

BUYER'S RECEIPT OF ACCEPTANCE

14. RECEIPT IS HEREBY ACKNOWLEDGED BY BUYER of the Seller's acceptance of Buyer's agreement. In the event the acceptance was subject to changes as hereinbefore set forth, as in Paragraph 21, from Buyer's agreement, the Buyer agrees to accept said changes, all other terms and conditions remaining unchanged.

DATE \_\_\_\_\_ X \_\_\_\_\_ BUYER

WITNESS: \_\_\_\_\_ X \_\_\_\_\_ BUYER

WITNESS: \_\_\_\_\_

15. DISCLAIMER: This form is provided as a service of the Michigan Association of REALTORS®. Please review both the form and details of the particular transaction to ensure that each section is appropriate for the transaction. The Michigan Association of REALTORS® is not responsible for the use or misuse of the form, for misrepresentation, or for warranties made in connection with the form. Execution of a facsimile counter part of this agreement shall be deemed execution of the original Agreement. Facsimile transmission of an executed copy of this Agreement shall constitute acceptance of this Agreement.

## RIDER

This Rider amends and supplements the Buy and Sell Agreement (the "Agreement") for 290 McCormick Drive, Lapeer, Michigan, entered into through Whitman Commercial Realtors ("Broker") and Marvin Engineering and Daniel Schreiber (together, "Buyer"). This Rider shall govern in the event of a conflict between the provisions of this Rider and the attached printed form. All capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the printed form of the Agreement.

Purchase Price. The Purchase Price shall be Two Million Forty-Two Thousand Five Hundred Dollars (\$2,042,500), of which Seventy-Five Thousand Dollars (\$75,000) represents the amount paid for the Equipment conveyed to Buyer in this transaction.

Broker's Commission. Buyer shall pay to Broker at Closing One Hundred Seven Thousand Five Hundred Dollars (\$107,500), which amount Broker acknowledges and agrees is in full satisfaction of all commissions and fees payable to Broker for services rendered in connection with the sale and purchase of the Property.

Security Deposit. Buyer shall deposit with Broker upon Seller's execution of the Agreement One Hundred Thousand Dollars (\$100,000) (the "Deposit"). The Deposit shall be held in an interest-bearing account and shall be credited against the Purchase Price at Closing, or refunded to Buyer if the Buyer terminates the Agreement on or before the expiration of the Inspection Period. Thereafter, the Deposit shall be non-refundable and paid to Seller as liquidated damages in the event Buyer defaults in its obligation to purchase the Property.

Contingencies. Notwithstanding anything in the printed form of the Agreement to the contrary, all of Buyer's contingencies to the purchase of the Property, including, but not limited to, environmental inspection and financing, if any, shall be either satisfied or waived in writing by Buyer on or before December 20, 2006 (the "Inspection Period").\* Buyer shall have the right during the Inspection Period to undertake, at its sole cost, environmental inspections of the Property, including a Phase I (and a Phase II if the Phase I recommends it). Buyer may terminate the Agreement on or before the expiration of the Inspection Period if the environmental inspections recommend environmental remediation the estimated cost of which exceeds Five Thousand Dollars (\$5,000).

Equipment. Buyer acknowledges that, except for equipment identified below being conveyed to Buyer in connection with this transaction, the equipment at the Property shall be sold at public auction on December 20, 2006 (the "Auction"), pursuant to that certain Order issued by the United State Bankruptcy Court, Northern District of Ohio,

\*Summary of the environmental inspection shall be furnished by December 20, 2006 and the report shall be furnished by December 27, 2006.



Eastern Division, dated November 21, 2006, a copy of which is attached hereto and incorporated herein as Exhibit B. The Auction shall proceed in the manner provided by the Asset Marketing Agreement with Biditup Auctions Worldwide, Inc. (the "Auctioneer"), a copy of which is attached hereto as Exhibit B. In the event that the Closing occurs prior to the date on which all the equipment sold at the Auction has been removed, Buyer agrees that Seller, the Auctioneer and members of the public shall have unfettered access to the Property following the Closing for purposes of conducting the Auction and removing the equipment from the Property, all in the manner set forth on Exhibit B. In such event, Seller shall cause the Auctioneer to add the Buyer as a named insured on the general liability insurance policies maintained by the Auctioneer, and to cause Auctioneer to furnish Buyer a copy of a certificate of insurance evidencing same. Buyer agrees to look solely to the proceeds from such insurance, and not to Seller, to satisfy any claims for any damages resulting from the negligent actions or omissions of the Seller, the Auctioneer, and/or their respective employees, agents or invitees. The terms of this paragraph shall survive Closing.

Buyer acknowledges that pursuant to the terms of the Asset Marketing Agreement, the equipment may not be moved, removed, or relocated by anyone other than the party purchasing same at the Auction, and Buyer agrees not to move, remove, or relocate the equipment.

Seller shall convey to Buyer at Closing the following equipment, identified by the lot numbers and descriptions assigned to them in connection with the Auction:

- Lot # 363 and 364 air compressor and dryer
- Lot # 267 and 268 air compressor and dryer
- Lot # 134 and 135 air compressor and dryer
- Lot # 171 five-ton crane with hoist and bridge
- Lot # 241 fourteen-ton crane with hoist and bridge

In addition to the foregoing, Seller shall convey to Buyer at Closing all electric bus ducts, all air lines, and the security system.

Insurance. Seller shall keep in effect until Closing the insurance policy or policies currently in effect with respect to the Property. From and after the Closing, Seller shall terminate such insurance policies.

Arbitration. Section 18 of the printed form of the Agreement is deleted. The parties acknowledge that Seller, the Agreement and the Property are subject to the ongoing jurisdiction of the U.S. Bankruptcy Court.

Closing. This transaction shall close on March 7<sup>th</sup>, 2007.

BUYER:  
MARVIN ENGINEERING  
CO, INC.

Witness: *Peter Whitman*  
Print Name PETER WHITMAN

By: *Daniel Schreiber*  
Daniel Schreiber, President

SELLER:

Witness: *James B. Stephens*  
Print Name James B. Stephens  
Glesis + Associates, Inc.

By: *Joseph M. Lallak*  
Joseph M. Lallak  
CEO - CEP Products

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