

**EMPLOYMENT AND NONCOMPETITION AGREEMENT**

(Joseph M. Mallak)

THIS EMPLOYMENT AND NONCOMPETITION AGREEMENT ("Agreement") is made at Akron, Ohio, as of the 27th day of February, 2006, by and between CREATIVE ENGINEERED POLYMER PRODUCTS, LLC, an Ohio limited liability company located at 3560 West Market Street, Suite 340, Akron, Ohio 44333 (the "Company"), and JOSEPH M. MALLAK, an individual residing at 16420 Majestic Oaks Drive, Chagrin Falls, Ohio 44023 (the "Employee").

WHEREAS, the Company and its wholly-owned subsidiaries, Thermoplastics Acquisition, LLC and Carlisle Mexico, S.A. de C.V. (the "Affiliates"), are engaged in the business of the manufacture and sale of injection molded products for the automotive market (the "Business"); and

WHEREAS, effective as of the date hereof, the Company desires to employ the Employee, and the Employee desires to be employed by the Company, under the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Employment.** The Company hereby employs the Employee, and the Employee hereby accepts employment, as the President and Chief Executive Officer of the Company.

2. **Term.** Subject to the provisions of Paragraphs 7.A. and 7.B. below, the term of this Agreement shall commence on the date hereof and shall end on December 31, 2008.

3. **Duties.** The Employee shall have such duties as determined from time to time by the Managers of the Company. The Employee agrees to devote his best efforts on a full-time basis to the performance of his duties for the Company.

4. **Compensation.** During the term of this Agreement, in consideration of the services to be rendered by the Employee under this Agreement, the Employee shall be entitled to the following compensation:

A. **Base Compensation.** The Company shall pay to the Employee an annual base salary of Two Hundred Seventy Thousand Dollars (\$270,000). Such compensation shall be paid to the Employee in accordance with the Company's normal salary payment schedule, as determined by the Company. The amount of compensation payable to the Employee

(including the bonuses described in this Paragraph 4) shall be subject to required withholding for income taxes, Social Security contributions, Federal Unemployment Tax, and similar required withholding of contributions and taxes.

B. *Incentive Compensation.* In addition to the base compensation described above, the Employee shall be entitled to the incentive compensation described and set forth on *Exhibit A* attached hereto.

C. *Discretionary Bonuses.* In addition to the compensation set forth above, the Employee shall be entitled to such bonuses, if any, which are determined in the sole and absolute discretion of the Managers of the Company.

5. *Reimbursement for Expenses.* The Company agrees to reimburse the Employee for reasonable expenses incurred by him in accordance with the policy of the Company then in effect.

6. *Benefits.* During the term hereof, the Employee shall be entitled to the following benefits:

A. *Standard Benefits.* The Employee shall be eligible to participate in any employee benefit plan established by the Company for the benefit of its full-time employees.

B. *Life Insurance.* The Company shall provide for the Employee, at the Company's cost, an insurance policy on the life of the Employee with a death benefit for an amount not less than One Million Five Hundred Thousand Dollars (\$1,500,000).

C. *Disability Insurance.* The Company shall provide for the Employee, at the Company's cost, with an insurance policy covering the Employee in the event the Employee becomes permanently or partially disabled during the Term with an after-tax annual benefit of not less than Three Hundred Thousand Dollars (\$300,000).

D. *Vacation.* At such reasonable times as the Company, in its discretion, shall permit, the Employee shall be entitled to not less than four (4) weeks paid vacation. Except as otherwise may be provided in any policy adopted by the Company for all of its employees, the Employee shall not be entitled to receive any additional compensation from the Company on account of his failure to fully utilize the foregoing vacation during a year, nor shall he be entitled to accumulate any unused vacation time from one year to the next.

E. *Car.* Employee will be entitled to use of a Company car of approximately \$45,000 value.

7. *Termination.*

A. *Automatic Termination.* Notwithstanding any provision of this Agreement to the contrary, the Employee's employment and this Agreement shall automatically terminate upon the happening of any of the following events:

(i) the death or Permanent Disability (as defined in Paragraph 7.C. below) of the Employee;

(ii) on a good faith determination by the Managers that the Employee can be terminated for Cause (as hereinafter defined), and upon notice to the Employee, in the event of the occurrence of any of the following ("Cause"): (a) the Employee's conviction, admission or plea of no contest to any action involving a felony, (b) a material failure by the Employee to adhere to the Company's written policies; (c) the Employee's neglect of the duties he is required to perform under this Agreement and failure to correct the situation promptly after being notified by the Company of such neglect; (d) a material breach of this Agreement by the Employee, including, but not limited to, the Employee's breach of the provisions of Paragraphs 8, 9 or 10 below; or (e) the Employee's addiction to alcohol or to any drug (whether or not prescribed by a physician).

B. *Other Terminations.* Employee may terminate this Agreement upon thirty (30) days written notice to the Company. The Company may terminate the Employee's employment and this Agreement, with or without Cause, upon thirty (30) days written notice to the Employee.

C. *Effect of Termination.* In the event that the Employee's employment and this Agreement are terminated pursuant to Paragraph 7.A. above, or by the Employee pursuant to Paragraph 7.B. above (other than a termination which is deemed to be a termination without Cause as set forth below), neither party shall have any further rights or obligations hereunder; provided, however, the Employee shall continue to comply with the provisions of Paragraphs 8, 9 and 10 below for the time periods specified therein and the Employee shall be entitled to such portion of any unpaid salary, bonus, additional compensation and other benefits accrued and earned by him under this Agreement up to and including the effective date of termination; provided, further, that if the termination is because of the death or permanent disability of the Employee, and if the Employee has worked at least six (6) months during the calendar year in which such event occurs, the Employee or his estate, as the case may be, shall be entitled to a pro-rata share of his bonus for such year. In the event the Employee's employment and this Agreement are terminated by the Company without Cause pursuant to Paragraph 7.B. above, or the Employee terminates employment under circumstances which

shall be deemed to be a termination without Cause (as set forth below), the Employee shall be entitled to continue to receive his base salary, bonus and benefits for eighteen (18) months following the date of termination. In the event the Employee's employment and this Agreement are terminated upon the expiration of the term, the Employee shall be entitled to continue to receive his base salary, bonus and benefits or a period of twelve (12) months following the expiration of the term. Notwithstanding any of the foregoing provisions to the contrary, the Company's obligations to continue to pay the Employee base salary and benefits shall immediately cease in the event: (i) the Employee obtains employment with, or begins to provide paid consulting services to, any third party; or (ii) the Employee is offered a position with TRG Management or one of its affiliates at substantially the same compensation and fails to accept such offer, provided such offer does not involve relocation.

The Employee may terminate his employment under this Employment Agreement with the Company and such termination shall be deemed to be a termination without Cause if:

(i) The Company significantly reduces the Employee's title, responsibilities, power or authority in comparison with the Employee's title, responsibilities, power or authority on the date hereof;

(ii) The Company assigns the Employee duties which are substantially inconsistent with the duties assigned to the Employee as President and Chief Executive Officer on the date hereof;

(iii) The Company changes the Employee's reporting responsibilities so that the Employee is no longer the chief executive officer of the Company reporting directly to the Managers; or

(iv) The Company reduces the Employee's annual compensation, bonus or materially reduces the Employee's health, life, disability or other insurance programs, or excludes the Employee from any plan, program or arrangement generally available to the Company's employees.

D. *Definition of Permanent Disability.* For purposes of this Agreement, "Permanent Disability" shall have the same meaning as such term is defined in the insurance policy referenced in Paragraph 6.C. above.

8. ***Intellectual Property; Works for Hire.*** All rights associated with work performed by Employee for the Company and the Affiliates (including, without limitation, copyright under the laws of the United States or any foreign country), and all know-how relating thereto, shall belong exclusively to the Company or the applicable Affiliate. All such creative works shall be considered a

“work made for hire” to the extent applicable under the copyright laws of the United States, and, to the extent not a work made for hire, Employee shall, and hereby does, assign to the Company or the Affiliates, as the case may be, all rights related thereto, including copyrights and renewal rights. Employee shall cooperate with the Company and the Affiliates to the extent necessary and execute such instruments as may be reasonably requested by the Company at no additional charge and without delay in order to fully perfect the Company’s and/or the Affiliates’ rights as provided in this Agreement. By way of example, and not in limitation of the foregoing, it is intended that the Company and the Affiliates shall have the sole right to control the reproduction and distribution of any finished product or element thereof. At the Company’s or an Affiliate’s request, Employee shall deliver all copies of finished product and work in process related to work performed for the Company (including, without limitation, computer files upon which such work is stored).

Employee hereby assigns the following, and agrees that he will promptly communicate, disclose and transfer to the Company or the applicable Affiliate, free of encumbrance and restriction, the following: (a) all inventions and other improvements originated or developed solely or jointly with others relating to the performance of Employee under this Agreement or at the Company’s or an Affiliate’s expense or on the Company’s or an Affiliate’s premises or using the Company’s or an Affiliate’s resources; and (b) all inventions or improvements relating to the Company’s or an Affiliate’s business, originated or developed by Employee solely or jointly with others, relating to the performance of Employee under this Agreement. These inventions and improvements shall belong to the Company or the applicable Affiliate whether or not patent applications are filed thereon. Each such transfer shall include all patent rights to such inventions or improvements in this and all foreign countries. Employee agrees to execute any and all documents necessary to the perfection of those patent rights.

9. ***Nondisclosure.*** Except in connection with services provided by the Employee hereunder, the Employee agrees that, during the term of this Agreement and at all times thereafter, he will not, in any fashion, form, or manner, either directly or indirectly, divulge, disclose, or communicate to any person, firm or company in any manner whatsoever, any confidential, proprietary or trade secret information of any kind, nature, or description concerning any matter affecting or relating any of the Businesses or their customers or accounts, including, without limiting the generality of the foregoing, the name of any customers including the nature and volume of goods purchased by the customer, the prices a Business obtains or has obtained or at which it sells or has sold its products or services, merchandising and sales methods, or any information about the profit margins obtained by the Business or any other financial information about the Business of whatever kind or nature, or any other information of, about, or concerning any or the Businesses, the Company or the Affiliates, its manner of operations, its plans, processes, or other data of any kind, nature, or description without regard to whether any or all of the foregoing matters would be deemed confidential, material, or important. The parties specifically stipulate that as between them, the aforesaid described information is important, material, and confidential and seriously affects the

effective and successful conduct of the Businesses and their goodwill and that any breach of the terms of this paragraph is a material breach hereof.

10. *Noncompetition/Noninterference.* In consideration of the employment of the Employee hereunder, except in connection with services provided by the Employee hereunder, the Employee hereby covenants with the Company and the Affiliates that, during the term hereof and for a period of three (3) years thereafter (or, in the case of a termination by the Company without Cause or a termination upon the expiration of the term hereof, for a period of eighteen (18) months thereafter), he will not, directly or indirectly:

(i) own, manage, control or participate in the ownership, management or control of, or be employed or engaged by or otherwise affiliated or associated as a consultant, independent contractor or otherwise with, any person, corporation, partnership, limited liability company, proprietorship, firm, association, or other business entity (foreign or domestic), or otherwise engage in any business which is engaged, in whole or in part, in the Business (or any other business which is competitive with the Business then conducted by the Company and the Affiliates) anywhere in North America or the United Kingdom;

(ii) employ, assist in employing, or otherwise associate in business with any employee, past or present, of the Company or the Affiliates;

(iii) induce any person who is an employee of the Company or an Affiliate to terminate said relationship; or

(iv) solicit or transact any business with any customer, or former customer, of the Company or an Affiliate.

**The Employee has carefully considered the nature and extent of the restrictions upon him and the rights and remedies conferred upon the Company and the Affiliates under this paragraph, and hereby acknowledges and agrees that the same are reasonable in time and territory, are designed to eliminate competition which otherwise would be unfair to the Company and the Affiliates, would not operate as a bar to the Employee's sole means of support, are fully required to protect the legitimate interests of the Company and do not confer a benefit upon the Company or the Affiliates disproportionate to the detriment of the Employee.**

11. *Modifications; Equitable Relief; Tolling.* The Company and the Employee expressly agree that if any claim is made that any covenant set forth in Paragraphs 9 or 10 above is invalid or unenforceable, due to the duration or geographic area thereof, and/or otherwise, the covenant shall not thereby be rendered invalid or unenforceable, but it shall instead be modified to the maximum

duration, maximum geographic area, and/or otherwise as a court of competent jurisdiction examining the covenant shall find to be reasonable and legally enforceable. The Company and the Employee acknowledge that a violation of the provisions set forth in Paragraphs 9 or 10 above will result in irreparable harm to the Company, and, accordingly, the Company and the Employee agree that the Company shall be entitled to injunctive relief to enforce such covenants, as well as damages at law as may be recovered by the Company.

In the event the Employee shall violate any legally enforceable provision of this Agreement as to which there is a specific time period during which the Employee is prohibited from taking certain actions or from engaging in certain activities, as set forth in such provision, then, in such event, such violation shall toll the running of such time period from the date of such violation until such violation shall cease.

12. ***Governing Law; Forum Selection.*** This Agreement, and all provisions hereunder, shall be construed in accordance with, and governed by the laws of, the State of Ohio. The parties agree that any action brought by either party shall be brought exclusively in the United States District Court for the Northern District of Ohio (Eastern Division) or the applicable County or Municipal Court of Cuyahoga County, Cleveland, Ohio, and the parties hereby consent to the jurisdiction of such courts and waive all questions of jurisdiction and venue.

13. ***Warranty and Representation of Employee; Indemnification of Company.*** The Employee hereby represents and warrants to the Company (which representation and warranty shall survive the termination of this Agreement) that neither the execution and delivery of this Agreement nor the Employee's employment by the Company hereunder, shall contravene, conflict with or result in a violation or breach of any of the terms or requirements of any agreement between the Employee and any third party (including, without limitation, any current or former employer of the Employee). The Employee agrees to indemnify and hold harmless the Company from and against any and all loss, liability, claim, damage, costs of investigation, and expenses (including, without limitation, reasonable attorneys' and other professional fees and expenses, and court costs incurred in connection with the investigation, defense, and settlement of any claim asserted against the Corporation or the enforcement of the Employee's obligations under this Paragraph 13, through all levels of representation and court and appellate proceedings), arising from or in connection with a breach of the foregoing representation and warranty

14. ***Entire Agreement; Modification.*** This Agreement constitutes the entire understanding and agreement between the parties hereto concerning the subject matter hereof, and all prior and contemporaneous written or oral conversations, agreements or discussions concerning the subject matter hereof are superseded hereby. This Agreement may be amended or modified only by a writing signed by the parties hereto. Except to the extent it relates to the Company or the Affiliates, the provisions the Confidentiality Agreement dated February 6, 2006 by the between the Employee

and the Company's affiliate, TRG Management, shall continue in full force and effect and shall not be affected by the provisions hereof.

15. **Assignment; Binding Effect.** Without the prior written consent of the Company, the Employee shall have no right to assign or otherwise transfer any of his rights, or delegate any of his obligations, under this Agreement. The Company may assign it rights under this Agreement without the consent or approval of the Employee.

16. **Agreement Binding.** This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective next of kin, legatees, administrators, executors, legal representatives, successors, and assigns (including remote, as well as immediate, successors to and assigns of said parties).

17. **Severability.** The provisions of this Agreement are severable, and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions and any partially unenforceable provision to the extent enforceable in any jurisdiction, shall nevertheless be binding and enforceable.

18. **Notices.** All notices, consents, waivers and other communications required or permitted by this Agreement shall be in writing and shall be deemed given to a party when: (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; or (c) received or rejected by the addressee, if sent by certified mail, return receipt requested, in each case to the following addresses, facsimile numbers or e-mail addresses and marked to the attention of the person (by name or title) designated below (or to such other address, facsimile number, e-mail address or person as a party may designate by notice to the other parties):

*If to Employee:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Ph: (\_\_\_\_) \_\_\_\_ - \_\_\_\_  
Fax: (\_\_\_\_) \_\_\_\_ - \_\_\_\_  
E-Mail: \_\_\_\_\_

*If to the Company:*

\_\_\_\_\_



\_\_\_\_\_  
\_\_\_\_\_  
Ph: (\_\_\_\_) \_\_\_\_ - \_\_\_\_  
Fax: (\_\_\_\_) \_\_\_\_ - \_\_\_\_  
E-Mail: \_\_\_\_\_

19. **Execution.** This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.

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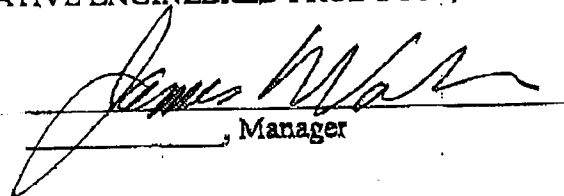
**BMeD Draft**  
**02/22/06**

IN WITNESS WHEREOF, the parties hereto have executed this Employment and Noncompetition Agreement as of the day and year first above written.

**THE COMPANY:**

CREATIVE ENGINEERED PRODUCTS, LLC

By:

  
\_\_\_\_\_, Manager

**THE EMPLOYEE:**

\_\_\_\_\_  
Joseph M. Mallak

637574

IN WITNESS WHEREOF, the parties hereto have executed this Employment and Noncompetition Agreement as of the day and year first above written.

**THE COMPANY:**

CREATIVE ENGINEERED PRODUCTS, LLC

By: \_\_\_\_\_  
\_\_\_\_\_, Manager

**THE EMPLOYEE:**

  
\_\_\_\_\_  
Joseph M. Mallak

637574

EXHIBIT A

*Incentive Compensation*

I. *Annual Cash Bonus - Calendar Years 2006 and 2007:*

- Guaranteed bonus of \$80,000 per year; paid on or before February 17 of following calendar year.

II. *Annual Cash Bonus - Calendar Year 2008:*

- Annual bonus based on percent of Target EBITDAM (as reasonably determined by the Company) reached, as set forth below:

(i) if actual EBITDAM is 80% or less of Target EBITDAM, annual bonus is zero;

(ii) if actual EBITDAM is greater than 80% of Target EBITDAM, annual bonus is an amount equal to 2.5% of base salary for each percent in excess of 80%, up to a maximum bonus of 100% of base salary.

- Examples:

*Example 1.* Target EBITDAM is \$6 Million. Actual EBITDAM is 5.3 Million. Bonus is \$54,000 ( $\$5.3 \text{ Million} / \$6 \text{ Million} = 88\%$ ;  $8 \times 2.5\% = 20\%$ ;  $20\% \times \$270,000 = \$54,000$ ).

*Example 2.* Target EBITDAM is \$6 Million. Actual EBITDAM is 7.3 Million. Bonus is \$270,000 ( $\$7.3 \text{ Million} / \$6 \text{ Million} = 122\%$ ;  $42 \times 2.5\% = 105\%$ ; Max is 100% - \$270,000).

- Bonus, if any, payable within 10 days following determination of actual EBITDAM, but no later than March 31, 2009
- EBITDAM means EBITDA of the Company and the Affiliates determined on a consolidated basis, exclusive of TRG Management fees and allocations.

III. *3-Year Performance Bonus:*

- 3-year performance bonus based upon a percentage of cumulative EBITDAM for the calendar years 2006, 2007 and 2008 (“Bonus Period”). Amount of bonus is equal to cumulative EBITDAM for the Bonus Period multiplied by the Applicable Percentage as determined in accordance with the following:

If cumulative EBITDAM for the Bonus Period is:	The Applicable Percentage is:
Less than \$21 Million	0%
\$21 Million or more, but less than \$27 Million	1.0%
\$27 Million or more, but less than \$33 Million	1.5%
More than \$33 Million	2.0%

- 3-year performance bonus, if any, paid in six equal quarterly installments commencing 3/31/09.
- Employee will not be entitled to any 3-year performance bonus if his employment is terminated for any reason (voluntarily or involuntarily) prior to December 31, 2008 except as provided in the immediately following sentence. In the event the Employee’s employment and this Agreement are terminated by the Company without Cause pursuant to Paragraph 7.B. above, and the Employee has worked a minimum of 24 months, the 3-year performance bonus will be calculated as follows:

The 3 year total cumulative EBITDAM will be known at the end of 2008. The Employee will receive the calculated percentage (table above) applied to the actual EBITDAM of his employment period.

*Example* – Employee works 2 years (thru 12/31/07) and EBITDAM for 2006 and 2007 totals \$12 MM. EBITDAM for 2008 adds \$12 MM and the 3 year total is \$24 MM. 1% of \$24 MM equals \$240 M and employee would be entitled to 12/24 of \$240 M or \$120 M.