J-M Manufacturing

EXHIBIT

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ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (the "Agreement"), made and entered into this 14th day of December, 1982 by and between Johns-Manville Sales Corporation, a Delaware corporation, Johns-Manville Corporation, a New York corporation, and Manville Corporation, a Delaware corporation (sometimes collectively "Seller", which term shall also refer to such of the foregoing corporations as the context or circumstances require) and J-M Manufacturing Company, Inc., a Delaware corporation ("Purchaser").

WITNESSETH, THAT:

WHEREAS, Seller has been and presently is engaged in several lines of business, one of which is the business of manufacturing and distributing pipe and pipe products, including, polyvinyl chloride pipe; and

WHEREAS, Purchaser desires to purchase and Seller desires to sell certain of the assets constituting Seller's present domestic polyvinyl chloride pipe operations (the "PVC Pipe Business") on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants, undertakings and agreements hereinafter set forth, the parties agree as follows:

ARTICLE I.

Section 1.1 Purchase and Sale of Certain Assets. On the Closing Date, as herein defined, and subject to the terms of this Agreement, Seller shall sell, convey, grant, assign, transfer and deliver to Purchaser, and Purchaser shall buy, accept and receive from Seller certain of the assets of Seller presently used exclusively in the operation of the PVC Pipe Business, including,

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without limitation, the following assets (sometimes collectively referred to herein as the "Purchased Assets"):

(A) Real Property. All real property actually or constructively owned or possessed by Seller and used directly or indirectly in the operation of Seller's pipe plants located at Butner, North Carolina; Denison, Texas; Franklin, Pennsylvania; Green Cove Springs, Florida; McNary, Oregon; Pueblo, Colorado; Stockton, California; and Wilton, Iowa as more fully described in Exhibit A, Schedule of Real Property, attached hereto and hereby made a part hereof.

(B) Tangible Personal Property, Machinery and Equipment. All Seller's interest in: (i) machinery, tools, tooling, dies, supplies, equipment, automobiles, trucks, furniture and fixtures, non-inventoried stores and supplies located at the Real Property and presently used exclusively in the PVC Pipe Business; and (ii) the pipe equipment formerly located at Seller's Jackson, Tennessee plant and recently relocated to several of the plants described in section 1.1(A).

(C) Research and Development Equipment. All Seller's interest in research and development equipment exclusively related to the PVC Pipe Business and located at the Research and Development Center of Manville Service Corporation, Denver, Colorado as itemized in the attached Exhibit B, Schedule of Research and Development Equipment.

(D) Intangible Property Rights and Proprietary Information. All patents, both foreign and domestic, patents pending and patent applications, invention disclosures together with Seller's interest in any and all license agreements, trademarks, brand names and trade names exclusively related to the PVC Pipe Pipe Business and identified in the attached Exhibit C, Schedule of Exclusive Intangible Personal Property Rights; and the nonexclusive royalty free right and/or license to the additional

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patents itemized in Exhibit D, Schedule of Nonexclusive Intangible Personal Property Rights, which are used in the PVC Pipe Business and other businesses. These nonexclusive patents will be retained by Seller and its affiliates shall retain or be granted by Purchaser, as the case may be, a nonexclusive, royalty free right and/or license to use any of the foregoing intangible property rights in connection with Seller's foreign pipe operations; and provided, further, that the rights transferred to Purchaser under this section shall not include, except as provided below, any right to the name Johns-Manville, the related logo or any derivative thereof even if same is referred to as a part of such intangible personal property rights.

(E) Trade Name Agreement to Use "J-M" Initials. At the Closing, Seller shall consent to the use by Purchaser of the initials, "J-M", in Purchaser's corporate name and otherwise, which consent shall be provided in a trade name agreement in the form of the attached Exhibit E. Except as provided therein, Purchaser shall not be entitled to any right, license or use to or of the name, Johns-Manville, the related logo or any derivative thereof.

(F) Literature, Labels, Signs and Product Identification. For a period of three (3) months from and after the Closing Seller may use Purchaser's sales and promotional literature exclusively related to the PVC Pipe Business provided, however, that Purchaser shall clearly indicate on such literature the identity of Purchaser and that the PVC Pipe Business was "formerly a division of Johns-Manville Sales Corporation." As soon as practicable after the Closing, Purchaser will cease using Seller's labels, and will remove all of Seller's signs from the Purchased Assets.

(G) Inventory, Raw Materials and Work in Process. All raw materials, packaging and shipping materials, goods or work in process, finished goods, wearable production supplies, and fuel

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inventories existing at the Closing and exclusively related to the PVC Pipe Business (sometimes collectively referred to herein as the "Inventory").

(H) Other Purchased Assets. Other property of the Seller of whatever nature relating exclusively to the PVC Pipe Business, which shall include books and records used in or for the manufacturing, development, sales and administrative operations of the PVC Pipe Business and all contracts, as described in Article III below, drawings, designs, patterns, production records, employment records, files with respect to inventions, laboratory and testing records, customer lists and records, formulas, inventions, trade secrets, and any other information relating exclusively to the PVC Pipe Business. Expressly excluded from the Purchased Assets are all cash on hand and in banks, government bonds, commercial paper and accounts receivable outstanding as of the Closing. Upon the execution of this Agreement until the Closing, Purchaser shall have access to all information and material relating to the PVC Pipe Business; provided, however, such access shall be with the prior consent of Seller, permitted only at reasonable times and on such other reasonable terms and conditions as may be required by Seller. Any and all information so obtained by Purchaser shall be kept permanently confidential.

Section 1.2 Prorations. All applicable taxes, including, personal property taxes, and real estate taxes and assessments, all utility charges, rents, and other recurring fees relating to the Purchased Assets and/or the PVC Pipe Business, except as otherwise provided herein, shall be prorated, and paid or credited as of the Closing Date. The amounts of prorations shall be set forth in a Closing Settlement Sheet to be prepared by the parties at the Closing or as soon as practicable thereafter. With respect to accrued but unpaid real estate and personal property taxes assessments, proration shall be made as of the Closing based upon the most recent tax bills. Subsequent adjustment of such prorations shall be made, if necessary, upon receipt of the actual

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tax bill or other invoice for the current period. Any other prorations of proratable items which cannot be determined prior to or at the Closing shall be prorated and payment made by the appropriate party as soon after the Closing as practicable.

Section 1.3 Condition of Purchased Assets. Except as provided below regarding warranties of good title, Seller is selling the Purchased Assets on an "AS IS", "WHERE IS" basis, and the parties expressly acknowledge that except as otherwise inconsistent with the provisions of Articles III and VIII hereof, infra, SELLER DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED RELATING IN ANY RESPECT TO THE PURCHASED ASSETS, INCLUDING, WITHOUT LIMITATION, THIS DISCLAIMER OF ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Further, Purchaser has carefully inspected and is familiar with the physical condition of the Purchased Assets, including, without limitation, the land, plants, building, structures and other improvements constituting the Real Property, machinery and equipment and other Purchased Assets, and Purchaser agrees to accept the Purchased Assets in their existing condition.

Section 1.4 Excluded Assets. The Purchased Assets shall not include:

(a) Any property, plant, machinery, equipment, furniture, fixtures, stores and supplies, and inventories located at Seller's Manville, New Jersey; Long Beach, California; Jackson, Tennessee; Marrero, Louisiana; and Waukegan, Illinois plants; any other pipe equipment not currently in use and not located at one of the plants described in Exhibit A; any asbestos-cement pipe manufacturing equipment located at Seller's Green Cove Springs, Florida plant which equipment Seller shall continue to store rent free for no more than two years after the Closing at the Green Cove Springs facility; any equipment, office supplies, furniture or other

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property located at Seller's corporate headquarters in Denver, Colorado, at its various sales offices or at any other location of Seller.

(b) all cash, accounts receivable and equivalents thereof of the PVC Pipe Business existing as of the Closing. From and after the date hereof, Purchaser shall cooperate in Seller's reasonable efforts to collect such accounts receivable.

ARTICLE II.

COMPUTATION AND PAYMENT OF PURCHASE PRICE

Section 2.1 Computation of Purchase Price. The purchase price for the Purchased Assets ("Purchase Price") shall be the sum of (a) and (b) as follows:

(a) Eighteen Million Six Hundred Thirty Thousand and 00/100 Dollars ($18,630,000) for the assets described in sections 1.1(A), (B), (C), (D), (E), (F) and (H); and

(b) The value of the Inventory described in section 1.1(G), which shall be determined as follows: (i) all Inventory shall be physically counted as of the Closing Date by plant personnel of the PVC Pipe Business under the observation of representatives of Seller and Purchaser; and (ii) the Inventory shall be valued at such time by the plant personnel in accordance with Seller's Standard Cost, as in effect on January 1, 1982 and applied by Seller. The value of the Inventory shall be set forth in a document prepared by Seller immediately upon completion of the Inventory valuation and approved in writing by Purchaser

Section 2.2 Payment of Purchase Price. The Purchase Price for the Purchased Assets shall be paid as follows:

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(a) The sum of Six Million Two Hundred Seventy Thousand and No/100 Dollars ($6,270,000) shall be paid to Seller at the Closing in certified funds, by bank cashier's check, or by wire transfer.

(b) The sum of Ten Million Five Hundred Twenty Thousand and No/100 Dollars ($10,520,000) shall be paid by the assumption by Purchaser of all industrial and pollution control revenue bond indebtedness and lease obligations owed by Seller as of August 25, 1982 and related to the Purchased Assets as identified in the attached Exhibit F the face value of which as of January 1, 1983 will be $14,200,000 with an escrow balance of $1,669,000 plus interest.

(c) The amount of One Million Eight Hundred Forty Thousand and No/100 Dollars ($1,840,000) shall be credited toward payment of the Purchase Price for funds previously received by Seller.

(d) The purchase price for the Inventory described in Section 1.1(G), determined in accordance with Section 2.1(b) shall be paid by wire transfer as follows:

(i) One half of such purchase price, less the credit defined in paragraph (e) of this Section 2.2, at the Closing; and

(ii) One half in three (3) consecutive monthly installments to be received before 1:00 p.m. M.S.T. on January 31, February 28 and March 31, 1983, which obligation shall be evidenced by a Promissory Note of Purchaser to Seller in the form of Exhibit G attached hereto and incorporated herein and secured by a purchase money security interest in the Inventory and a pledge agreement to be granted by the execution at Closing of a security agreement in the form of the attached Exhibit H.

(e) Purchaser shall be entitled to credit towards the purchase price of the Inventory equal to 2.5% times one half of such purchase price to account for interest payments not incurred by Purchas

ARTICLE III

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

On the Closing Date, Seller will assign and Purchaser will assume as of the Closing Date all of the contracts relating to the PVC

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Pipe Business, including, but not limited to, those itemized in Exhibit I, Schedule of Assumed Contracts, and the following:

(i) purchase commitments of the PVC Pipe Business (the "Purchase Contracts") pursuant to which delivery of materials is to occur after the Closing;

(ii) sales orders of the PVC Pipe Business (hereinafter referred to as the "Sales Contracts") pursuant to which products are to be shipped after the Closing;

(iii) contracts relating to the operation of the PVC Pipe Business, which contracts include utility contracts, distributor agreements, sidetrack agreements, security protection agreements and other miscellaneous agreements (the "Operating Contracts"); and

(iv) Seller's obligations as of August 25, 1982 incurred in connection with the industrial revenue and pollution control bonds identified in Exhibit F and provided for in Section 2.2(b) above.

Notwithstanding anything contained herein to the contrary, Seller will not assign and Purchaser will not assume any Purchase Contracts for the purchase of polyvinyl chloride resins.

All of the contracts to be assumed pursuant to this Article III are hereinafter collectively referred to as the "Assumed Contracts". Notwithstanding any other provision of this Agreement, Purchaser does not assume any liability for payment under any Purchase Contract with respect to goods the shipment of which was received prior to Closing or any liability under any Sales Contract with respect to goods the shipment of which occurred prior to Closing. It is expressly understood that Seller shall retain and have exlusive liability for any defective goods or products shipped prior to Closing.

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If the Consent of any party to the assignment of any of the Assumed Contracts is necessary, Seller shall use its best efforts to obtain such consent. If such consent is not obtained, Seller shall cooperate with Purchaser in any reasonable arrangement designed to provide Purchaser with the benefit under such Assumed Contract.

ARTICLE IV

SUPPLEMENTARY AGREEMENTS AND PROVISIONS

Section 4.1 Additional Agreements. In connection with Agreement, the parties have further agreed as follows:

(A) Supply Contract. At the Closing, Seller and Purchaser shall enter into a contract in theform of Exhibit J to provide for the sale of rubber rings by Seller to Purchaser.

(B) Temporary Rental and Support Services Contract. At the Closing, Seller and Purchaser shall enter into a contract in the form of the attached Exhibit K to provide Purchaser with temporary rental space and support services after the Closing.

(C) Litigation Support Contract. At the Closing, Seller and Purchaser shall enter into a contract in the form of the attached Exhibit L according to which the parties and their affiliates shall provide their reasonable cooperation to one another in connection with any claims or litigation involving products of the PVC Pipe Business.

Section 4.2 Removal of Purchased Assets. Purchaser shall, within six (6) months of the Closing and at its cost, remove the Purchased Assets which are located on premises of the Seller. Within the aforesaid time period, Purchaser shall have the right

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to remove the foregoing Purchased Assets from the premises of Seller at any time during Seller's normal business hours, unless the parties otherwise agree. If Purchaser fails to take possession and remove all of said Purchased Assets from the premises of Seller within such time period, Seller shall be entitled to payment and receipt of storage charges from Purchaser at a daily rate of ($10.00) per square foot, per year, covering cost of both the space necessary or incidental to the storage of the Purchased Assets on the premises of Seller and expenses as may have been incurred by Seller in connection with such storage, and Seller shall have the further right to retain possession of said Purchased Assets until Purchaser has paid Seller the accrued storage charges.

Section 4.3 Employment of Former Employees of Seller. It is Purchaser's present intention to extend offers of employment to substantially all the employees of Seller's PVC Pipe Business. On or before December 17, 1982, Purchaser shall provide Seller with a list identifying those employees of Seller to whom Purchaser intends to offer continuing employment. On or before January 31, 1983, Purchaser shall provide Seller with a list of those employees to whom a final offer of employment has been made. Any severance pay obligations to employees to whom Purchaser does not so offer employment shall be paid by Seller. With respect to those former such employees of Seller who accept employment with Purchaser, Purchaser shall provide salaries and benefits, ~~including, a retirement plan,~~ comparable to or better than those received in the employ of Seller immediately prior to the Closing. Seller shall continue to provide coverage for its former employees who are subsequently employed by Purchaser under all insured benefit plans except long term disability coverage for three (3) months following the Closing. Purchaser shall reimburse Seller for the premium costs of such continued coverage. Without limiting the foregoing, with respect to retirement benefits, Purchaser shall recognize in a successor plan, all prior service with Seller as employment with Purchaser for purposes of

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only

participation in and vesting under Purchaser's retirement plan. At least ten (10) days prior to the Closing, Purchaser shall provide Seller with a detailed description of those employee benefits which Purchaser will provide that will differ from those provided by Seller to such former employees of Seller.

Section 4.4 Employee Benefits.

(a) As soon as practicable following the Closing Purchaser shall establish an hourly employees' retirement plan (hereinafter referred to as the "Purchaser's Hourly Plan") and its implementing trust covering the hourly employees affected by this Agreement. Such plan and trust shall be qualified with the Internal Revenue Service as soon as is practicable following the Closing Date. Such plan shall provide benefits under conditions and in amounts at least as favorable as those provided under the Modified Retirement Plan for Hourly-Paid Employees of Manville Corporation and its affiliates (hereinafter referred to as the "Seller's Hourly Plan") with respect to benefits accrued as of the Closing Date. Furthermore, Purchaser agrees that said Purchaser's Hourly Plan will include, for purposes of calculating the amount of benefits and eligibility for such benefits, the period of employment with Seller or with prior companies recognized under the Seller's Hourly Plan as of the Closing Date.

(b) Upon notification by Purchaser that the Purchaser's Hourly Plan and trust for such plan have been determined by the Internal Revenue Service to be qualified under Sections 401 and 501 of the Internal Revenue Code, Seller shall instruct the trustee under the Seller's Hourly Plan to transfer a portion of the assets held by such trustee for the Seller's Hourly Plan to the trust established for the Buyer's Hourly Plan. Such portion of assets shall be equal to the present value of accumulated plan benefits determined in accordance with calculations prepared by George B. Buck Consulting Actuaries, Inc. (hereinafter referred to

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as "actuary") based on the benefits accrued to the Closing Date by the employees affected by this Agreement, all in accordance with Section 414(l) of the Internal Revenue Code.

(c) With respect to the period from the Closing Date to the date of transfer of the allocable portion of assets from the trust of the Seller's Hourly Plan to the trust of the Purchaser's Hourly Plan, Seller shall instruct the trustee for the Seller's Hourly Plan to adjust such transferable assets to reflect interest from the date of Closing to the date of transfer at the rate of 11-1/2% per annum. The assets so transferred shall be in cash or cash instruments.

(d) The determination of the present value of accumulated plan benefits in accordance with paragraph (b) above shall be prepared and certified by the actuary as soon as practicable after the Closing Date, and Seller and Purchaser shall be bound by the results of such determination. The present value of accumulated plan benefits to be determined by the actuary shall be calculated on an ongoing concern basis, utilizing an annual interest assumption of 11-1/2% and the rates of turnover, disability, early retirement, normal retirement and mortality used in the most recent regular actuarial valuation of the Seller's Hourly Plan. Furthermore, the amount of benefits accrued to the Closing Date shall be based on service as of the Closing Date. Such transfer shall not result in any unfunded pension liability.

(e) In the event Purchaser terminates the Purchaser's Hourly Plan after the Closing Date, any excess assets that may exist in such plan as a result of the transfer of assets in accordance with this section 4.4 from the Seller's Hourly Plan shall be used solely to increase the benefits of the employees affected by this Agreement who were members of the Seller's Hourly Plan as of the Closing Date. This provision shall be stated in Purchaser's Hourly Plan.

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Section 4.5 Pending Labor Disputes. Seller shall indemnify and hold Purchaser harmless from and against any and all backpay claims (including benefit claims under any medical, life or sickness and accident program) by present or former employees of Seller resulting directly from any order and/or decree issued in National Labor Relations Board Case Nos. 32 CA 4012 and 32 CA 4377 now pending before the National Relations Board up to the time any person is reinstated or secures substantially equivalent employment.

ARTICLE V

DOCUMENTS OF TRANSFER

Section 5.1 Seller will convey to Purchaser the title to all Purchased Assets by a General Assignment and Bill of Sale and by other appropriate documents acceptable to counsel for Purchaser and Seller.

Section 5.2 Seller will assign and Purchaser will assume by a General Assignment and Assumption of Liabilities, in a form acceptable to counsel for Purchaser and Seller, all Assumed Contracts and any other liabilities to be assumed hereunder.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

Section 6.1 Representations and Warranties by Seller. Seller hereby represents and warrants to Purchaser, and said representations and warranties shall be true as of the Closing and shall survive the Closing:

(A) Johns-Manville Sales Corporation is a corporation, duly organized and validly existing and in good standing under the laws of the State of Delaware.

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(B) The execution, delivery and performance of this Agreement have been duly authorized by all necesary corporate action on the part of Seller; the execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby and compliance with the terms and conditions hereof will not, conflict with or result in a breach of the terms, conditions or provisions of or constitute a default under the certificate of incorporation or the bylaws of Seller or any contractual obligations, restrictions or commitments, or any instrument or order of a material nature, to which Seller is a party or by which Seller is bound; and this Agreement is a valid and binding agreement of Seller.

(C) Seller has or on the Closing Date will have good title to all personal property to be sold hereunder to Purchaser free and clear of all liens, claims or encumbrances. Seller has or on the Closing Date will have good and marketable title to the Real Property except as set forth in Exhibit A, and subject to the interests of the several municipalities and Industrial Development authorities described in Exhibit F hereof, and except 1982-1983 property taxes which are not due and payable by the Closing, and except for those other items listed on Exhibit M, Schedule of Pending Claims.

(D) Except as disclosed on Exhibit M hereto, Schedule of Pending Claims, there are no asserted material claims, product liability claims or litigation pending or proceedings pending or threatened against or relating to the Purchased Assets.

(E) Seller is not aware of any defect in any of the Purchased Assets which would have a material adverse effect on the operation of any facility.

(F) Exhibit I hereof includes a full and complete list of all contracts relating to the PVC Pipe Business wherein the annual

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consideration is in excess of $10,000 or performance continues for more than one year.

Section 6.2 Representations and Warranties by Purchaser. Purchaser hereby represents and warrants to Seller, and said representations and warranties shall be true as of the Closing and shall survive the Closing:

(A) Purchaser is a corporation, duly organized, validly existing and in good standing under the laws of the State of Delaware.

(B) The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action on the part of Purchaser; the execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby and compliance with the terms and conditions hereof will not, conflict with or result in a breach of the terms, conditions or provisions of or constitute a default under the certificate of incorporation or bylaws of Purchaser or any contractual obligations, restrictions or commitments or any instrument or order to which Purchaser is a party or by which Purchaser is bound; and this Agreement is a valid and binding Agreement of Purchaser.

ARTICLE VII

CONDITIONS TO CLOSING

Section 7.1 Conditions to Obligations of Purchaser. The obligation of Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions:

(A) Receipt by Purchaser of an opinion from Robert A. Boardman, Esq., Counsel for Seller, dated the Closing that: (i) Johns-Manville Sales Corporation is a corporation duly organized,

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validly existing and in good standing under the laws of the State of Delaware; (ii) has all necessary corporate power and authority to own and to operate the PVC Pipe Business as such is now being operated; and (iii) this Agreement has been duly authorized, executed and delivered by Seller and constitutes the valid and binding obligation of Seller;

(B) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all respects both as of the date hereof and as of the Closing;

(C) Seller shall have obtained consents to the assignment of all contracts for which such consent is necessary or, if any such consent is not obtained, Seller shall have made reasonable arrangements to provide Purchaser with the benefit of any such contracts that are material to the operation of the facility;

(D) Receipt by Seller of an Order from the Bankruptcy Court for the Southern District of New York approving the terms of this Agreement and the consummation of this transaction;

(E) The execution by Purchaser and Seller of the following documents required under this Agreement:

(i) Trade Name Agreement to Use "J-M" Initials
(ii) Promissory Note
(iii) Purchase Money Security and Pledge Agreement
(iv) Rubber Ring Supply Contract
(v) Temporary Rental and Support Services Contract
(vi) Litigation Support Contract; and

(F) The simultaneous Closing of the transactions contemplated by the Asset Purchase and Sale Agreement of even date herewith for Seller's asbestos-cement business.

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Section 7.2 Conditions to Obligations of Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions:

(A) Receipt by Seller of an opinion from Charles H. McAuliffe, Esq., Counsel for Purchaser, dated the Closing Date, that: (i) Buyer is a corporation duly organized, validly existing and in good standing under the laws of Delaware and (ii) this Agreement has been duly authorized, executed and delivered by Buyer and is a valid and binding obligation of Buyer;

(B) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all respects both as of the date hereof and as of the Closing;

(C) Receipt by Seller of an Order from the Bankruptcy Court for the Southern District of New York approving the terms of this Agreement and the consummation of this transaction;

(D) The Closing shall occur on or before December 31, 1982.

(E) Receipt on or before December 23, 1982 of Purchaser's guaranteed loan commitment addressed to Purchaser from Purchaser's lending institution for the financing of the Inventory purchase.

(F) The execution by Purchaser and Seller of the following documents required under this Agreement:

(i) Trade Name Agreement to Use "J-M" Initials
(ii) Promissory Note
(iii) Purchase Money Security and Pledge Agreement
(iv) Rubber Ring Supply Agreement
(v) Temporary Rental and Support Services Contract
(vi) Litigation Support Contract; and

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(G) The simultaneous Closing of the transactions contemplated by the Asset Purchase and Sale Agreement of even date herewith for Seller's asbestos-cement pipe business.

ARTICLE VIII

INDEMNIFICATION AND CLAIMS PROVISIONS

Section 8.1 Purchaser's Indemnity. Purchaser shall protect, defend, indemnify, and hold Seller harmless with respect to all claims, actions, damages, losses and liabilities relating to or arising out of, the breach by Purchaser of any covenant, warranty or representation contained in this Agreement. Purchaser shall also protect, hold harmless, defend, and indemnify Seller from all fines, penalties, claims, actions, damages, losses, settlements or compromises, and expenses including attorneys' fees arising from or alleged to arise from the acts, omissions, negligence, or misconduct of Purchaser in the ownership, operation, maintenance and control of the PVC Pipe business from and after the Closing or from the breach of any of the Assumed Contracts. Notwithstanding anything contained herein, Purchaser shall not indemnify Seller with respect to any action instituted by a former employee of Seller or any third party against Purchaser and/or Seller wherein damages or other relief is sought for disease or disability, including such as result from exposure to asbestos fiber, alleged or actually occurring or accruing from or as a result of Seller's control, maintenance, operation or ownership of the PVC Pipe Business prior to Closing. Such claims shall be the sole liability of Seller. Settlement, judgment and defense costs as to occupational claims involving former employees of Seller employed by Purchaser shall be prorated between Seller and Purchaser according to the relative percentage of total employment with either party.

Section 8.2 Seller's Indemnity. Seller shall protect, defend, indemnify and hold Purchaser harmless with respect to all claims,

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fines, penalties, actions, damages, losses, settlements or compromises, and liabilities, including attorneys' fees, relating to or arising out of, the breach by Seller of any covenant, warranty or representation contained in this Agreement as well as any liability resulting from either Seller's or Purchaser's non-compliance with applicable Bulk Sale or Bulk Transfer provisions; and any and all claims, actions, damages, losses or liabilities which arise or are alleged to arise from Seller's ownership, operation, control and maintenance of the PVC Pipe Business and with respect to the manufacture or sale of any allegedly dangerous or defective product prior to the Closing. Notwithstanding anything contained herein, Seller shall not indemnify Purchaser with respect to any action instituted by any third party against Purchaser and/or Seller, for claims, liabilities or other obligations which accrue as a result of Purchaser's assumption of the "Assumed Contracts" or for claims, liabilities or other obligations arising from Purchaser's operation of the PVC Pipe Business subsequent to the Closing.

Section 8.3 Claims and Litigation. If, after the Closing Date, either party shall receive notice of any claim or alleged claim asserting the existence of a liability or obligation as to which such party has been indemnified pursuant to the terms of this Agreement or which will involve proration of liability, such party shall notify the other party hereto of such claim. In the case of an indemnity request, the Indemnitor shall have the right to defend against any such claim, provided (i) the Indemnitor, within ten (10) days after the receipt of such notice from the Indemnitee, shall notify the Indemnitee that the Indemnitor disputes the claim, giving the reasons therefor, and that the Indemnitor will, at its own expense, defend the same, and that (ii) such defense is instituted promptly and maintained in good faith by the Indemnitor. In such event, the defense may, if necessary, be maintained in the Indemnitee's name, and the Indemnitee may, if it so elects, designate its own counsel to participate, along with the counsel selected by the Indemnitor, in

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the conduct of such defense. The Indemnitee shall, in any event, be kept fully advised as to the status of such defense. If the Indemnitor shall receive notice from the Indemnitee of a claim, as aforesaid, and shall either fail to notify the Indemnitee of a claim, as aforesaid, or shall either fail to notify the Indemnitee of its election to defend such claim or fail to maintain such defense in accordance with the foregoing, or if such defense shall, upon final determination, be unsuccessful, then in any such event the Indemnitor shall fully satisfy and discharge the claim or any judgment within thirty (30) days after notice from the Indemnitee to the Indemnitor requesting it to do so. The Indemnitor shall be liable for all costs, expenses and attorneys' fees in a suit to enforce the indemnity agreement herein. In the case of a claim which is prorated under this agreement, each party shall bear its own attorneys' fees and expenses.

ARTICLE IX

CLOSING

Section 9.1 The Closing. The consummation of the transactions contemplated by this Agreement shall occur at a closing ("the Closing" or "Closing Date"). The Closing shall take place at the offices of Seller at Ken-Caryl Ranch, Denver, Colorado 80217 at 10:00 a.m. M.S.T. on December ~~25~~ 29, 1982, or at such other time or place as the parties may mutually agree upon; provided, that the Closing shall occur no later than December 31, 1982. Purchaser shall be entitled to possession of the Purchased Assets at the conclusion of the Closing and shall be obligated for all costs associated with, or incurred as a result of the Purchased Assets as of 12:00 p.m., M.S.T. on the Closing.

Section 9.2 Closing Costs. The parties shall pay each of their respective costs and expenses incurred in connection with the Closing of this transaction.

ARTICLE X

GENERAL PROVISIONS

Section 10.1 Cooperation. Seller and Purchaser shall cooperate fully with each other to the end that the Assets and title thereto shall be fully and effectively transferred to and vested in Purchaser at the Closing. Such cooperation shall include execution and delivery of such instruments, consents, notices, acknowledgements, applications and other documents, as may be reasonably requested by either party hereto to conclude all aspects of this transaction.

Section 10.2 Confidentiality. If the transactions contemplated herein are not consummated for any reason, each party shall keep confidential all information of a non-public nature obtained by it from the other party.

Section 10.3 Copies. Seller may, at its option, deliver to Purchaser copies, in lieu of originals, of all printed material including prints, books, records, x-rays and data, and Seller shall, in the event it shall so elect to supply copies, make the originals available to the Purchaser for inspection at reasonable times and upon reasonable request. As to any originals not delivered to Purchaser, Seller will continue to follow its normal record retention policies. As to health, safety and environment and any other employee records, Purchaser agrees to continue Seller's record and record retention policies and to provide copies of same to Seller for an indefinite period after the Closing. Any modifications to such record policies and any destruction of such records shall not occur without the prior written consent of Seller, which consent shall not be unreasonably withheld.

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Section 10.4 Notices. Any notice, demand, consent or other communication required or permitted to be given under this Agreement shall be in writing and shall be given in person or by prepaid registered or certified mail, return receipt requested, addressed as indicated below or addressed to such other person and address as the party may specify in writing given as provided above.

The date of any notice or other communication and of service thereof shall be the day of personal service or the fifth (5th) day following the day of deposit in the United States mails, as applicable, in accordance with this paragraph.

As to Seller:

Johns-Manville Sales Corporation
Ken-Caryl Ranch
P. O. Box 5108
Denver, Co. 80217

Attention: Corporate Secretary

As to Purchaser:

J-M Manufacturing Company, Inc.
66 Hanover Road
Florham Park, New Jersey 07932

Attention: Secretary

Section 10.5 Destruction of Purchased Assets. If, prior to the Closing, a material portion of the Purchased Assets is damaged or destroyed, Purchaser may, at its option, elect to terminate this Agreement or to proceed to Closing, in which case Purchaser shall be entitled to any insurance proceeds payable as a result of any damage or destruction regardless of whether the damage to the Purchased Assets is material. Seller assumes all risk of loss to the Purchased Assets due to fire, storm, flood or other casualty up to the Closing after which time Purchaser assumes same.

Section 10.6 Post Closing Survival of Warranties and Representations. Except as to any warranties contained in the various conveyance documents contemplated by this Agreement, and except with respect to any health related claims resulting from exposure to asbestos fibers, all representations, warranties and

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undertakings to indemnify made herein by the Seller and the Purchaser in connection with the transactions contemplated hereby shall be true at the Closing and shall survive thereafter for a period of two years from the Closing. Any claim by either party for indemnification or assertion of any right of setoff for breach of any warranty, representation or covenant must be asserted within such two year period or be forever barred.

Section 10.7 Indemnity for Waiver of Bulk Sales Provisions. The transactions contemplated herein shall be consummated without compliance with any bulk sales law. Seller shall indemnify and hold Purchaser harmless for any liability, suits, claims, demands, damages, fees, costs and expenses (including reasonable attorneys' fees) made by creditors of Seller and arising as a result of noncompliance with any bulk sales law.

Section 10.8 Brokers. Purchaser and Seller represent to each other that no broker or finder has been employed or is acting on its behalf in connection with any transaction involved in or this Agreement. And each shall indemnify and hold harmless the other for any cost or expense including, but not limited to, court costs and attorney's fees incurred by the other as the result of a claim by any broker or finder based upon dealings by Purchaser or Seller, as the case may be, with such broker or finder.

Section 10.9 Effect of Agreement. This Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter hereof. No representations, promise, inducement or statement of intention has been made by either party which is not embodied in or referred to in this Agreement, and neither party shall be bound by, or be liable for, any alleged representation, promise, inducement or statement of intention not embodied herein. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

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Section 10.10 Amendment and Waiver. This Agreement cannot be orally changed or terminated. No waiver of compliance with any provisions or conditions hereof, and no consent provided for herein, shall be effective unless evidenced by an instrument in writing duly executed by the party sought to be charged with such waiver or consent. Further, waiver of any breach of any provision of this Agreement shall not constitute or operate as a waiver of any other breach of such provision, nor shall any failure to enforce any provision hereof operate as a waiver of such provision of this Agreement.

Section 10.11 Captions for Convenience. The captions in this Agreement and any Exhibits or Schedules hereto are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision contained therein.

Section 10.12 Governing Law. The rights and obligations of the parties in respect of this Agreement and the performance thereof shall be governed and determined according to the laws of the State of New York.

Section 10.13 Invalidity. The invalidity or unenforceability of any term or provision of this Agreement as to any person or circumstance shall not impair or affect the remainder of this Agreement and its application to any other persons and circumstances, but rather the remaining terms and provisions hereof shall remain in full force and effect.

Section 10.14 Counterparts. This Agreement may be executed and endorsed in one or more counterparts, and each such counterpart shall, for all purposes, be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

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Section 10.15 Seller's Conduct of the PVC Pipe Business Pending Closing. Prior to the Closing Date, except as otherwise authorized in writing by Purchaser and subject to any restrictions imposed by the bankruptcy laws, the affairs and business of Seller relating to the PVC Pipe Business shall be conducted in the ordinary course. This shall include maintenance of ordinary levels of inventory.

IN WITNESS WHEREOF, this Agreement has been executed and delivered by duly authorized officers of Seller and Purchaser as of the day and year first written above.

SIGNED AND SEALED
IN THE PRESENCE
OF:

"SELLER"
JOHNS-MANVILLE SALES CORPORATION,
debtor-in-possession

ATTEST:

Robert A. Boardman
Assistant Secretary

BY: J. T. Hulce
J. T. Hulce
President

JOHNS-MANVILLE CORPORATION

ATTEST:

Robert A. Boardman
Assistant Secretary

BY: J. T. Hulce
J. T. Hulce
Its: President

MANVILLE CORPORATION

ATTEST:

Robert A. Boardman
Assistant Secretary

By: J. T. Hulce
J. T. Hulce
Its: Senior Vice President

"PURCHASER"
~~J-M PVC PIPE CORPORATION~~

By: _____
Charles W. McAuliffe
Secretary

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