PLAINTIFF'S EXHIBIT
BW-28

ACQUISITION OF UNIT PARTS COMPANY BY BORG-WARNER CORPORATION

CLOSING MEMORANDUM DATED SEPTEMBER 29, 1972

This Memorandum outlines material proceedings relating to the consummation of that certain Plan and Agreement of Reorganization dated as of June 30, 1972, as amended, between Borg-Warner Corporation, a Delaware corporation ("Borg-Warner") and Unit Parts Company, an Oklahoma corporation ("Unit Parts").

I. ACTION PRIOR TO CLOSING.

1. As of June 30, 1972, Borg-Warner and Unit Parts entered into a Plan and Agreement of Reorganization (the "Agreement") providing for the acquisition by Borg-Warner of substantially all of the assets of Unit Parts, subject to substantially all of its liabilities, in exchange for 305,313 shares of Common Stock, par value $2.50 per share, of Borg-Warner.

2. At a meeting held on August 4, 1972, the Executive Committee of the Board of Directors of Borg-Warner authorized and approved the acquisition of Unit Parts pursuant to the Agreement and the delivery of the shares of Borg-Warner Common Stock pursuant thereto.

3. At a meeting held on September 19, 1972, the Board of Directors of Borg-Warner ratified the authorization and approval by the Executive Committee of Borg-Warner of the Agreement and authorized the officers of Borg-Warner to do all acts required under the terms of the Agreement to implement and effect the purposes thereof, including the issuance to Unit Parts of 305,313 shares of Borg-Warner Common Stock.

4. At a Special Meeting held on September 26, 1972, the Board of Directors of Unit Parts took all corporate action necessary to authorize and ratify the execution and delivery of the Agreement and completion of the transactions contemplated therein. At such meeting, the Board also called a special shareholders' meeting to approve the Agreement.

5. At a Special Meeting held on September 26, 1972 immediately after adjournment of the Special Meeting of the

Board of Directors, the shareholders of Unit Parts approved the execution and delivery of the Agreement and completion of the transactions contemplated therein.

II. TIME AND PLACE OF CLOSING.

The Closing with respect to the Agreement was held at the offices of Crowe, Dunlevy, Thweatt, Swinford, Johnson & Burdick, 1700 Liberty Tower, Oklahoma City, Oklahoma, at 9:00 o'clock a.m. on September 29, 1972.

III. PERSONS PRESENT AT THE CLOSING.

1. For Borg-Warner:

William H. Weltyk
Clyde J. Pruden
G. D. Whitaker
Russ Gilpin

2. Counsel for Borg-Warner:

Charles W. Houchins

3. For Unit Parts:

Irene Boulton
Lutisha Boulton
J. W. Boulton, Jr.
Don C. Boulton
Peggy Cooper
Arthur Powell

4. Counsel for Unit Parts:

Crowe, Dunlevy, Thweatt, Swinford,
Johnson & Burdick by
Bruce H. Johnson
Lon Foster, III
Mervin E. Templin

5. For The First National Bank and Trust Company of Oklahoma City as Escrow Agent:

F. Lee Bollinger

IV. TRANSACTIONS EFFECTED AT THE CLOSING.

1. All of the Closing transactions were considered to have taken place simultaneously and no delivery was considered to have been made until all transactions to take place at the Closing had been completed. Except as otherwise indicated, all certificates and letters were dated the date of the Closing. Except as otherwise indicated, all references to paragraph numbers refer to the Agreement.

2. Unit Parts delivered the following documents to Borg-Warner:

(a) Warranty Deed dated September 28, 1972, from J. W. Boulton, Jr., Lutisha Boulton, and A. L. Powell, as Trustees for Unit Parts Company Pension Trust to Unit Parts Company conveying certain real property located in Oklahoma County, Oklahoma.

(b) Warranty Deed dated September 29, 1972, from Unit Parts Company to Borg-Warner Corporation conveying the real property described in (a) above.

(c) Preliminary Certificate For Guaranty of Title of Southwest Title and Trust Co. dated September 28, 1972, in favor of Borg-Warner Corporation covering the real property described in (a) and (b) above.

(d) Assignment of Personal Property by Unit Parts to Borg-Warner.

(e) Assignment of Lease and Consent to and Acceptance of Assignment of Lease covering lease between Oklahoma Industries Authority and Unit Parts with Unit Parts assigning said Lease to Borg-Warner.

(f) Assignment of Trademarks by Unit Parts to Borg-Warner.

(g) Assignment of Trade Name of Unit Parts to Borg-Warner.

(h) Certified copy of Minutes of Special Meeting of Board of Directors of Unit Parts held on September 26, 1972.

(i) Certified copy of Minutes of Special Meeting of Shareholders of Unit Parts held on September 26, 1972.

(j) Opinion of Crowe, Dunlevy, Thweatt, Swinford, Johnson & Burdick delivered pursuant to Paragraph 10(e) of the Agreement.

(k) Opinion of Mervin E. Templin, Esq., delivered pursuant to Paragraph 10(e) of the Agreement.

(l) Shareholders letters delivered pursuant to Paragraph 10(h) of the Agreement.

(m) Consent to Similar Name by Unit Parts Company consenting to use of the name of Unit Parts Company by Borg-Warner.

(n) Amendment to the Plan and Agreement of Reorganization between Borg-Warner and Unit Parts.

(o) Assignment of Lease by Unit Parts to Borg-Warner covering Lease Agreement dated November 3, 1970, between Unit Parts and Ryder Truck Rental, Inc.

(p) Assignment of Lease by Unit Parts to Borg-Warner covering Truck Lease Service Agreement dated April 25, 1958, as amended, between Unit Parts and Baker Truck Rental, Inc., Division of Ryder Systems, Inc.

(q) Assignment of Lease by Unit Parts to Borg-Warner covering Equipment Lease No. TZ 25-00 dated November 6, 1968, as amended, between Leasco Computer, Inc., and Unit Parts Company.

(r) Assignment of Lease by Unit Parts to Borg-Warner covering Amendment to Agreement for IBM Machine Service - Fixed Term Plan Agreement (No. MO 2330) dated April 25, 1972, between IBM and Unit Parts.

(s) Assignment of Lease by Unit Parts to Borg-Warner covering One Year Use and Service Agreement (No. 5320290) dated October 4, 1971, as amended, between Sperry Rand Corporation, Univac Division, and Unit Parts Company.

(t) Assignment and Bill of Sale dated September 28, 1972 of Unit Parts Company Pension Trust, assigning certain machinery and equipment to Unit Parts.

(u) Receipt of Unit Parts for two share certificates evidencing 228,985 shares and 76,328 shares, respectively, of Borg-Warner Common Stock.

3. Borg delivered the following documents to Unit Parts:

(a) Opinion dated September 29, 1972, of General Counsel of Borg-Warner.

(b) Two share certificates evidencing 228,985 shares and 76,328 shares, respectively, of Borg-Warner Common Stock.

(c) Certified copy dated September 22, 1972 of resolutions adopted by the Board of Directors of Borg-Warner at its meeting held on September 19, 1972.

4. Peat, Marwick, Mitchell & Co. delivered the following documents to Borg-Warner and Unit Parts:

(a) Certified financial statements of Unit Parts as at June 30, 1972 (with actual delivery by Peat, Marwick, Mitchell & Co. to the respective parties on September 27, 1972).

(b) Opinion letter of Peat, Marwick, Mitchell & Co., pursuant to Paragraph 10(g) of the Agreement, regarding treatment of the combination of Borg-Warner and Unit Parts as a pooling of interests.

5. Unit Parts, Borg-Warner and The First National Bank and Trust Company of Oklahoma City, as Escrow Agent, delivered to each other executed copies of the Escrow Agreement (in form attached to the Agreement as Exhibit I) pursuant to Paragraph 12(d) of the Agreement.

6. Unit Parts delivered to the Escrow Agent a share certificate evidencing 76,328 shares of Borg-Warner Common Stock duly endorsed in blank by Unit Parts.

7. The Escrow Agent delivered to Borg-Warner and Unit Parts a Receipt for the 76,328 shares of Borg-Warner Common Stock.

V. TRANSACTIONS EFFECTED AFTER THE CLOSING.

1. The Warranty Deeds described in IV 2(a) and (b) above were recorded in the County Clerk's Office of Oklahoma County, Oklahoma, on October 2, 1972.

Pursuant to the requirements contained in the Preliminary Certificate For Guaranty of Title dated September 28, 1972, covering the property conveyed by the Warranty Deed described in IV 2(b) above issued by Southwest Title & Trust Company to Borg-Warner, the following actions were taken:

(a) A Correction Deed from Cecil E. McCalip and Frankie Lou McCalip, husband and wife, was filed with the County Clerk of Oklahoma County, Oklahoma, on October 2, 1972.

(b) A Correction Deed from George Elton Owens and Amy L. Owens, husband and wife, was filed with the County Clerk of Oklahoma County, Oklahoma, on October 6, 1972.

(c) A certified copy of the Trust Agreement for the Unit Parts Company Pension Trust was furnished to Southwest Title & Trust Co.

Thereafter, Southwest Title & Trust Company issued a Policy of Title Insurance dated October 2, 1972, to Borg-Warner covering the property conveyed by Unit Parts to Borg-Warner in the Warranty Deed described in IV 2(b) above.

2. At a meeting held on October 19, 1972, the Trustees of the Oklahoma Industries Authority approved and consented to the assignment of lease by Unit Parts to Borg-Warner of that certain Lease between the Oklahoma Industries Authority and Unit Parts.

FORM NO. 290-AF

(ORDER BY NUMBER)

BOOK 4063 PG 1420

WARRANTY DEED

Statutory Form—Individual

This Space Reserved for Filing Stamp

STATE OF OKLAHOMA
OKLAHOMA COUNTY
RECORDED OR FILED
OCT 2 1 03 PM '72
CECIL PARHAM
OKLA. COUNTY CLERK

Know All Men by These Presents:

That J. W. BOULTON, JR., LUTISHA BOULTON, and A. L. POWELL as Trustees for the Unit Parts Company Pension Trust

of _____ County,

State of Oklahoma, parties of the first part, in consideration of the

sum of Ten and No/100---------- DOLLARS

in hand paid, the receipt of which is hereby acknowledged, does hereby Grant, Bargain, Sell and

Convey unto UNIT PARTS COMPANY, a Corporation

of _____ County, State of Oklahoma, party

of the second part, the following described real property and premises situate in Oklahoma

County, State of Oklahoma, to-wit:

The East Half (E½) of the East Half (E½) of the East Half (E½) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian, in Oklahoma County, Oklahoma; AND The West Half (W½) of the East Half (E½) of the East Half (E½) of The Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian in Oklahoma County, Oklahoma; AND The West Half (W½) of the Northeast Quarter (NE¼) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian, in Oklahoma County, Oklahoma, according to the Government Survey thereof.

E 7 25

together with all the improvements thereon and the appurtenances thereunto belonging, and warrant the title to the same.

TO HAVE AND TO HOLD said described premises unto the said party of the second part, its/successors heirs and assigns forever, free, clear and discharged of and from all former grants, charges, taxes, judgments, mortgages and other liens and incumbrances of whatsoever nature. Excepting restrictive covenants, easements of record and minerals previously conveyed of record.

Signed and delivered this 28th day of September, 1972

J. W. Boulton, Jr.

Lutisha Boulton

A. L. Powell

OKLAHOMA DOCUMENTARY 009684

$10.00 $5.00 $1.00

0127162 0124592 0196755

STATE OF OKLAHOMA
COUNTY OF Oklahoma } SS:

INDIVIDUAL ACKNOWLEDGMENT
Oklahoma Form

Before me, the undersigned, a Notary Public in and for said County and State on this 28th day of September, 19 72, personally appeared J. W. Boulton, Jr., Lutisha Boulton and A. L. Powell as Trustees for the Unit Parts Company Pension Trust to me known to be the identical person s who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My commission expires April 7, 1976 (SEAL)

Pat Hatfield Notary Public

Manly Office Supply Co. - Printers - Okla. City

BOOK 4063 PG 1421 (ORDER BY NUMBER)

WARRANTY DEED

Corporation Form

$20.00 $1.00

069844 0196760

$20.00 55c

069843 0266306

Know All Men by These Presents:

That UNIT PARTS COMPANY

a corporation duly organized and existing under and by virtue of the laws of the State of _____, whose principal place of business is in _____ County, State of _____, party of the first part, in consideration of the sum of Ten and No/100----------DOLLARS ($10.00) and other valuable considerations, in hand paid, the receipt of which is hereby acknowledged, does hereby Grant, Bargain, sell and Convey unto BORG-WARNER CORPORATION, a corporation of _____ County, State of _____, party of the second part, the following described real property and premises situate in _____ Oklahoma County, State of Oklahoma, to-wit:

$3.30

0168130

The East Half (E½) of the East Half (E½) of the East Half (E½) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian, in Oklahoma County, Oklahoma; AND

The West Half (W½) of the East Half (E½) of the East Half (E½) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian in Oklahoma County, Oklahoma; AND

The West Half (W½) of the Northeast Quarter (NE¼) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian in Oklahoma County, Oklahoma, according to the Government Survey thereof.

069845 $20.00

together with all the improvements thereon and appurtenances thereunto belonging and warrant the title to the same.

TO HAVE AND TO HOLD said described premises unto the said party of the second part, its successors and assigns _____ forever free, clear and discharged of and from all former grants, charges, taxes, judgments, mortgages and other liens and encumbrances of whatsoever nature. Excepting restrictive covenants, easements of record and minerals previously conveyed of record.

STATE OF OKLAHOMA
OKLAHOMA COUNTY
RECORDED OR FILED
OCT 2 1 03 PM '72
CECIL PARHAM
COUNTY CLERK

IN WITNESS WHEREOF, the said party of the first part hereto has caused these presents to be signed in its name by its _____ President, its corporate seal affixed, and attested by its Secretary at _____, this 29th day of September, 1972.

$5.00 0124587

UNIT PARTS COMPANY

Irene Boulton President

Attest: Lutisha Boulton Secretary

STATE OF OKLAHOMA
COUNTY OF Oklahoma } SS:

CORPORATION ACKNOWLEDGMENT
Oklahoma Form

Before me, the undersigned, a Notary Public, in and for said County and State on this 29th day of September, 1972, personally appeared Irene Boulton, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its _____ President and acknowledged to me that she executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires April 7, 1976 (SEAL) Val Hatfield Notary Public

Manly Office Supply Co. - Printers - Okla. City

2.00

SOUTHWEST TITLE AND TRUST CO.

OKLAHOMA

PRELIMINARY CERTIFICATE FOR GUARANTY OF TITLE
(Owner's Guaranty)

TO: BORG-WARNER CORPORATION

In connection with your order, the undersigned will, upon due application and payment therefor, issue Special Owner's Guaranty, in the amount of $ 63,106.00 ; to you as beneficiary, showing title as herein set forth, subject to changes subsequent to September 21 19 72, at 7:30 a. M., the date to which examination is made.

DESCRIPTION:

See Schedule A attached hereto and made a part of this preliminary certificate.

TITLE VESTED IN: J. W. BOULTON, JR., LUTISHA BOULTON, and A. L. POWELL, as Trustees for the Unit Parts Co. Pension Trust, or their successors in Trust.

SUBJECT TO:

1. Rights or claims of parties in possession, including roads and easements, not of record.
2. Questions involving any boundaries, quantities, locations or measurements of land; any locations or extensions of improvements largely dependent on actual survey for determination.
3. Liens arising from claims for labor or material not shown of record.
4. Ordinances, laws or regulations enacted by Governmental authority.
5. Taxes and assessments which will become payable subsequent to the date of Guaranty.
   At the date hereof, such taxes and assessments are as follows:
   Ad valorem tax for 1972 and subsequent years.
   Unmatured installments of special assessments Sewer District No. 1158 Tax Assessment not available.
6. Right-of-way in favor of Oklahoma Natural Gas Company, within the North 17 feet of the South 50 feet of the East 150 feet of the SW¼, recorded in Book 3231, page 570.
7. Easement in favor of the City of Oklahoma City, across the North 17 feet of the South 50 feet of the E½ E½ SE¼ SW¼, recorded in Book 3935, page 735.
8. Statutory road easement across the South 33 feet.
9. An undivided 1/2 interest in and to all oil, gas and other minerals and all rights pertaining thereto.

Continued

WHEN THE FOLLOWING REQUIREMENTS ARE MET:

(a) Furnish copy of Trust Agreement forthe Unit Parts Company Pension Trust for examination in order that we may determine the powers of the Trustees in conveying real property.
(b) File Correction Deed from George Elton Owens, showing marital status and joined by spouse if married, as to W½ E½ E½ SE¼ SW¼.
(c) File correction deed from Cecil E. McCalip and Frankie Lou McCalip, showing marital status and joined by their respective spouse, if married, as to W½ NE¼ SE¼ SW¼.
(d) Furnish abstracter's certificate of the search of the records of the County Clerk of Oklahoma County, prior to July 15, 1970, as to instruments filed as Financing Statements or Security Agreements, as same would affect the captioned property.
(e) Furnish properly executed conveyance from above owners to buyers.

NOTE: The extended abstract must be returned to us for issuance of Guaranty when the above requirements have been met.

Dated September 28 , 19 72.

SOUTHWEST TITLE & TRUST CO., INC.

Guaranty Fee $ 270.50
Attorney Fee: $ 120.00
TOTAL $

By Vivian Franklin

SWT&T—5

SCHEDULE A

The East Half (E½) of the East Half (E½) of the East Half (E½) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian, in Oklahoma County, Oklahoma,

and

The West Half (W½) of the East Half (E½) of the East Half (E½) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Indian Meridian in Oklahoma County, Oklahoma,

and

The West Half (W½) of the Northeast Quarter (NE¼) of the Southeast Quarter (SE¼) of the Southwest Quarter (SW¼) of Section Twenty (20) Township Eleven (11) North, Range Two (2) West of the Indian Meridian, in Oklahoma County, Oklahoma, according to the Government Survey thereof.

SUBJECT TO: continued

10. Restrictive covenants recorded in Book 3960, page 1429, which donot provide for forfeiture or reversion of title covering the E½ E½ SE¼ SW¼.

Borg-Warner Corporation
200 South Michigan Avenue
Chicago, Illinois

Gentlemen:

The Plan and Agreement of Reorganization, dated as of June 30, 1972, by and between Borg-Warner Corporation (hereinafter "Borg"), and Unit Parts Company (hereinafter "Unit"), provides for the acquisition by Borg of substantially all of the property, assets, goodwill and business of Unit as a going concern and the assumption by Borg of Unit's liabilities as set forth in said agreement, in exchange solely for shares of Borg's $2.50 Common Stock (hereinafter "BW Shares"). We, the undersigned Shareholders of Unit assure and agree with Borg as follows:

1. The BW Shares to be received by us as a result of the reorganization are not acquired by us with a view to the distribution thereof other than dispositions to the extent and in the manner permitted under the Securities Act of 1933, as amended, and the General Rules and Regulations of the Securities and Exchange Commission promulgated thereunder.

2. Prior to making (or offering to make) a sale or other disposition of any of said BW Shares, the undersigned will provide Borg with either:

(i) an opinion, in form and substance satisfactory to the General Counsel of Borg, by counsel approved by Borg, that such transaction will not require registration of said shares under the Securities Act of 1933; or

(ii) written advice from the Securities and Exchange Commission that it will not take any action under the Securities Act of 1933 with respect to such transaction.

EXHIBIT "H"

Within 7 days after receipt by Borg of either the opinion of counsel required by alternative (i) above, or the written advice from the Securities and Exchange Commission required by alternative (ii) above, Borg will take appropriate action to permit such transaction.

3. The certificates issued to us to evidence the BW Shares to be received by us as a result of said reorganization may be endorsed by Borg with a legend stating:

> "The transfer of the shares of Common Stock of Borg-Warner Corporation evidenced by this certificate is restricted in accordance with the letter agreement dated _____, 1972, between said corporation, the registered owner of this certificate and certain other stockholders, a copy of which is on file with said corporation and such shares may not be disposed of without complying with the terms of said letter agreement."

At such time as it is determined as provided in Section 2 hereof that said BW Shares may be sold or otherwise disposed of free of the restrictions imposed by this letter agreement, Borg will issue certificates therefor without the aforesaid legend thereon in exchange for the certificates therefor bearing said legend.

_____

_____

_____

The foregoing is accepted this
_____ day of _____, 1972.

BORG-WARNER CORPORATION

By_____

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the "Escrow Agreement") is made in Oklahoma City, Oklahoma, as of _____, 1972, by Borg-Warner Corporation, a Delaware corporation ("Borg"), Unit Parts Company, an Oklahoma corporation ("Unit") and The First National Bank and Trust Company of Oklahoma City, a national banking association ("Escrow Agent").

RECITALS

A. Borg and Unit have entered into a Plan and Agreement of Reorganization dated as of June 30, 1972 (the "Reorganization Agreement"), attached hereto as Exhibit "A" and made a part hereof, pursuant to which Borg will acquire substantially all of the property, assets, goodwill and business of Unit's liabilities in exchange solely for shares of Borg's $2.50 Common Stock (hereinafter "BW Stock").

B. Paragraph 14 of the Reorganization Agreement and related provisions provides that Unit will indemnify Borg in respect of certain losses, liabilities, costs and expenses as therein defined and that share certificates representing twenty-five per cent (25%) of the total shares of BW Stock to be delivered by Borg to Unit pursuant to the Reorganization Agreement will be deposited by Unit in escrow under this Escrow Agreement, subject to the terms and provisions hereof, for the purpose of securing such indemnification.

THEREFORE, in consideration of the mutual promises and conditions herein contained, the parties hereby agree as follows:

1. Securities Received by and to be Deposited With the Escrow Agent. Unit has this day deposited in escrow with the Escrow Agent under this Escrow Agreement certificates representing _____ shares of BW Stock received by Unit pursuant to the Reorganization Agreement. Such shares, together with appropriate instruments of assignment executed by Unit covering such shares, have been received by the Escrow Agent and will be held and distributed by it in accordance with the terms and conditions of this Escrow Agreement.

2. Escrow Shares. During this Escrow, Unit shall have and may exercise all voting rights with respect to the Escrow Shares. Unit shall be entitled to receive any cash dividends or other income in respect of the BW Stock held by the Escrow Agent pursuant to

this Agreement; provided, however, dividends payable in securities of Borg shall be added to this Escrow and become a part hereof, and Unit agrees to endorse such securities in blank. The BW Stock held by the Escrow Agent pursuant to this Agreement and any additions thereto shall hereinafter be referred to as the "Escrow Shares."

3. Claims.

If Borg shall deliver written notice complying with the provisions of Paragraph 4.1 hereof to the Escrow Agent ("Claim Notice") claiming that Unit has become obligated under Section 14 of the Reorganization Agreement and related provisions to indemnify Borg in respect of any losses, liabilities, costs or expenses as therein defined, the Escrow Agent shall forward copies of the Claim Notice to Unit or any representative of Unit's successors in interest. If Unit or any such representative does not give Borg and the Escrow Agent notice in writing ("Contest Notice") complying with the provisions of Paragraph 4.2 hereof within thirty (30) days after the date of mailing of the Claim Notice by the Escrow Agent that it intends to contest the claim of Borg for indemnification set forth in the Claim Notice, then the Escrow Agent shall, without further instructions, return or pay to Borg shares of BW Stock in this Escrow equal in value (determined as provided herein on the date 30 days after mailing of the Claim Notice) to the amount of indemnification claimed by Borg in the Claim Notice. If the Escrow Agent receives a Contest Notice, as and within the period of time above provided, the Escrow Agent shall make no payment or delivery to Borg except upon the written instructions of both Borg and Unit (or any representative of Unit's successors in interest) or the final judgment, order or decree of any court of competent jurisdiction, which may be filed, entered or issued. The Escrow Agent is hereby authorized to comply with and obey any and all final judgments, orders or decrees of any court of competent jurisdiction which may be filed, entered or issued and, if it shall so comply or obey, it shall not be liable to any of the parties hereto or any other person, firm, association or corporation by reason of such compliance or obedience.

4. Notices by Borg and Unit.

4.1 Any notice (whether a Claim Notice or other communication) given by Borg to the Escrow Agent, in any manner involving this Escrow, shall be in triplicate and shall be signed by an officer of, or attorney for, Borg. Any Claim Notice shall set forth:

(a) information adequately identifying the matter with respect to which indemnification is claimed;

(b) the amount of indemnification claimed; and

(c) a statement of the grounds upon which indemnification is claimed.

4.2 Any notice (whether a Contest Notice or other communication) given by Unit or any representative of Unit's successors in interest to the Escrow Agent in any manner involving this Escrow shall be in triplicate and shall be signed by an officer of, or attorney for, Unit or any such representative.

4.3 Any action, notice, instruction or consent which Unit is required or permitted to take or give hereunder may be taken or given on behalf of Unit or its successors by Mrs. Irene Boulton or such other person or persons as may be designated by Unit, or its successors, in a written notice to Borg and the Escrow Agent.

4.4 Borg and Unit agree to give the Escrow Agent appropriate written instructions in conformity with Paragraphs 4.1 and 4.2 and in compliance with the terms and provisions of this Escrow Agreement.

4.5 Any notice or other communications required or permitted hereunder shall be sufficiently given if delivered personally or sent by registered or certified mail, postage prepaid and return receipt requested, (i) if to Borg-Warner Corporation, 200 South Michigan Avenue, Chicago, Illinois 60604, Attention: General Counsel, (ii) if to Unit Parts Company, P. O. Box 1921, Oklahoma City, Oklahoma 73101, Attention: Mrs. Irene Boulton, and (iii) The First National Bank and Trust Company of Oklahoma City, First National Building, Oklahoma City, Oklahoma 73102, Attention: _____ _____, or such other address as shall be furnished in writing by any party to the others and shall be deemed to have been given as of the date so delivered or deposited in the United States mail, as the case may be.

5. Claim Limitation. All provisions of Paragraph 3 above are subject to the limitation that no claim may be made by Borg and no claim shall be recognized by the Escrow Agent or Unit or otherwise given any effect, other than (i) claims (other than those of the type described in (ii) of this Paragraph 5) of which the Escrow Agent has, prior to [one year from closing], been notified as provided in Paragraphs 3 and 4 above, and (ii) claims, of which the Escrow Agent has been similarly notified prior to [four years from closing], for breach of Unit's warranty of the sufficiency of its provision for liabilities or obligations, whether accrued, absolute or contingent or otherwise in Unit's financial statements as of June 30, 1972, but only insofar as such liabilities or obligations arise out of

claims asserted by persons other than Borg that Unit did not comply with any law, regulation or order applicable to its business and operation, including claims for attorney fees and expenses related thereto which have been incurred by Borg without regard to whether or not such claims ultimately result in liability.

6. Defense of Claims.

6.1 In the event of any action, suit or proceeding brought against Unit and/or Borg with respect to which Borg may be indemnified under the indemnity provision contained in Paragraph 14(b) of the Reorganization Agreement, Unit, or its successors in interest, shall have the right to defend against any such action, suit or proceeding. In the event Unit or its successors in interest undertake such a defense, Unit or its successors in interest shall be entitled to be represented by counsel of its own choosing. Unit and Borg agree to render to each other such assistance as they may reasonably require of the other in order to insure the proper and adequate defense of any such action, suit or proceeding. Unit shall have the right to make such investigation and settlement of any such action, suit or proceeding as it deems expedient. Borg shall not make any settlement of any claim which might give rise to liability of Unit or its successors in interest under the indemnity provision contained in Paragraph 14(b) of the Reorganization Agreement without the written consent of Unit or its successors in interest.

The Escrow Shares shall be available to Unit in order to pay any settlement or final judgment based on such action, suit or proceeding, and the Escrow Agent is hereby authorized to deliver to Unit such number of Escrow Shares as shall be necessary to pay any such settlement or claim.

6.2 Unit or its successors in interest is authorized to pledge all or a portion of the Escrow Shares as may be necessary to secure loans made by Unit or its successors in interest in order to finance the defense or payment of any settlement or judgment with respect to any action, suit or proceeding described in Paragraph 6.1 above. The Escrow Agent is hereby authorized to deliver to a lender shares of the Escrow Shares properly endorsed with the consent of Borg, which consent shall not be unreasonably withheld.

7. The Termination Date.

7.1 Except as provided in Paragraphs 3, 6 and 8 hereof, the Escrow Shares shall be held by the Escrow Agent until [four years after closing] (the "Termination Date"), at which time this Escrow shall terminate.

7.2 On the Termination Date, the Escrow Agent shall, without further instructions, deliver the Escrow Stock to the registered owners thereof, if and to the extent

that shares of the Escrow Stock shall not have been delivered to Unit or its successors in interest or retained by the Escrow Agent, as provided for in this Escrow Agreement.

7.3 Subject to the provisions of Paragraphs 3 and 6 herein, if on or prior to the Termination Date the Escrow Agent shall receive a Claim Notice from Borg claiming that Unit has become obligated under Paragraph 14 of the Reorganization Agreement and related provisions to indemnify Borg in respect of any losses, liabilities, costs or expenses as therein defined, the Escrow Agent shall retain in escrow shares of the Escrow Stock equal in value (determined as provided herein) to the damages for which such indemnification is claimed in any Claim Notice or Claim Notices. The Escrow Stock so retained after the Termination Date shall be held by the Escrow Agent until all claims for indemnification set forth in any such Claim Notice are barred by the applicable statute of limitations, or are settled, or are determined by a final judgment of a court of competent jurisdiction.

7.4 Notwithstanding any other provisions contained herein, this Escrow shall terminate on the date that final delivery of all Escrow Stock has been made by the Escrow Agent in accordance with the terms and conditions contained in this Escrow Agreement.

8. Partial Delivery of Escrow Stock.

8.1 On [one year from closing] at 10 o'clock a.m., Oklahoma City time, the Escrow Agent shall without further instructions forthwith deliver to Unit 20% of the then balance of the Escrow Stock, provided that if there be then pending any claims, of which Borg has notified the Escrow Agent, said 20% shall be so delivered to Unit only if the value of BW Stock remaining in the Escrow is sufficient to satisfy the aggregate amount of the pending claims.

8.2 On [two years from closing], the Escrow Agent shall without further instructions forthwith deliver to Unit 25% of the then balance of the Escrow Stock, provided that if there be then pending any claims, of which Borg has notified the Escrow Agent, said 25% shall be so delivered to Unit only if the value of the BW Stock remaining in the Escrow is sufficient to satisfy the aggregate amount of the pending claims.

8.3 On [three years from closing], the Escrow Agent shall without further instructions forthwith deliver to Unit 33-1/3% of the then balance of the Escrow Stock, provided that if there be then pending any claims, of which Borg has notified the Escrow Agent, said 33-1/3% shall be so delivered to Unit only if the value of the BW Stock remaining in the Escrow is sufficient to satisfy the aggregate amount of the pending claims.

9. Payment of Claims.

9.1 Whenever, under the terms hereof, the Escrow Agent is required to pay a claim, the Escrow Agent shall do so by delivering to Borg the number of Escrow Shares computed in accordance with Paragraph 9.2 below.

9.2 The computation of the number of Escrow Shares to be delivered to Borg in payment of a claim shall be made by having the Escrow Agent determine the number of Escrow Shares which have a value as nearly equal to the amount of such claim as is practicable, by dividing the amount of such claim by the closing price of the Escrow Shares on the New York Stock Exchange on the day such claim is finally determined. If the day on which such claim is finally determined shall not be a trading day on the New York Stock Exchange, then the price of the Escrow Shares shall be determined by the closing price on the New York Stock Exchange immediately preceding such day. The "closing price" for any trading day shall be the last reported sales price regular way, or in case no such reported sales take place on such day, the mean between the reported bid and asked price regular way, on the New York Stock Exchange.

10. Escrow Agent Provisions.

10.1 The Escrow Agent, having delivered to Unit or its successors in interest on the Termination Date the Escrow Stock in the Escrow, and any increments thereto, pursuant to the terms of this Escrow Agreement, shall be discharged from all further obligations hereunder. Except as otherwise provided herein, the Escrow Agent is authorized and directed to disregard, in its sole discretion, any and all communications that may be given by any of the parties hereto or by any other person, firm, association or corporation; provided, however, the Escrow Agent is hereby authorized, in any and all events, to comply with and obey any and all final judgments, orders and decrees of any court of competent jurisdiction which may be filed, entered or issued, and, if it shall so comply or obey, it shall not be liable to any of the parties hereto or to any other person, firm, association or corporation by reason of such compliance or obedience.

10.2 It is agreed that the duties of the Escrow Agent are only such as are herein specifically provided, being purely ministerial in nature, and that it shall incur no liability whatsoever except for willful misconduct or gross negligence so long as it has acted in good faith. The Escrow Agent shall be under no responsibility in respect of the assets deposited with it other than faithfully to follow the instructions herein contained. It may consult with counsel and shall be fully protected in any action taken in good faith, in accordance with the advice of counsel. It shall not be required to defend any legal proceedings which may be instituted against it in respect of the subject matter of these instructions unless requested so to do by one or more of the parties hereto and indemnified by the requesting party to its satisfaction against the cost and expense of such defense. The Escrow Agent shall not be required to institute legal proceedings of any kind. It shall have no responsibility for the genuineness or validity of any documents or other item deposited

with it, and it shall be fully protected in acting in accordance with any written instructions given to it hereunder and believed by it to have been signed by the property officers or other representatives of the parties hereto.

10.3 The fees of the Escrow Agent shall be paid one-half (1/2) by Borg and one-half (1/2) by Unit on the Closing Date as defined in the Reorganization Agreement. If this Escrow is extended by reason of a claim asserted by Borg, Borg shall pay all of the fees of the Escrow Agent.

11. Miscellaneous.

11.1 This Escrow Agreement shall be binding upon and unure to the benefit of the parties hereto and their respective successors and assigns.

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

11.4 This Escrow Agreement shall be governed by and interpreted in accordance with the laws of the State of Oklahoma.

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed by each of the parties hereto, as of _____, 1972.

BORG-WARNER CORPORATION

ATTEST:

By _____
Vice President

_____
Secretary

(SEAL)

UNIT PARTS COMPANY

ATTEST:

By _____
President

_____
Secretary

(SEAL)

THE FIRST NATIONAL BANK AND TRUST COMPANY OF OKLAHOMA CITY

ATTEST:

By _____

_____
Cashier

(SEAL)

August 24, 1972

Unit Parts Company
Oklahoma City, Oklahoma

Gentlemen:

This letter refers to a Plan and Agreement of Reorganization between Borg-Warner Corporation and Unit Parts Company which is being executed this date by Borg-Warner Corporation.

This letter will serve as a memorandum of agreement between the parties that there shall be added to Exhibit "D" of said Agreement, (Exhibit "D" being a list of contracts and agreements being transferred by Unit to Borg and assumed by Borg), the following:

> Collective Bargaining Agreement between Unit Parts Company and Amalgamated Meat Cutters Union - Local P1170, effective May 22, 1972.

Kindly sign and return the attached copy of this letter evidencing your agreement.

Very truly yours,

BORG-WARNER CORPORATION

By _____
John C. Oesterle
Executive Vice President

ACCEPTED AND AGREED

UNIT PARTS COMPANY

By _____

Date 8-29-72

August 24, 1972

Mrs. Lutisha Boulton
Mrs. Irene Boulton
Mr. J. W. Boulton, Jr.
Mr. Don C. Boulton
Oklahoma City, Oklahoma

In connection with the Plan and Agreement of Reorganization dates as of June 30, 1972, between Borg-Warner Corporation ("Borg") and Unit Parts C ompany, and notwithstanding anything in said Agreement to the contrary, we hereby agree with you as follows:

(a) If, upon the death of Lutisha Boulton or Irene Boulton, the shares owned by the estate of such decendent may not be sold without restriction as to the length of time such shares have been held by such estate, without restriction as to the number of shares that may be sold by such estate, and without restriction as to the manner by which such shares may be sold (except as set forth below) and if after counsel for such estate shall have used their best efforts to obtain from the SEC a so-called "no action" or similar letter to permit such estate to sell such shares without restriction as to such holding period, the number of shares that can be sold, or the manner by which such shares may be sold (except as set forth below) then the personal representative of such estate shall have the rights set forth in (b) below, providing any registration requested by the personal representative of said estates is in connection with providing cash for payment of debts or taxes or the orderly administration of such estates. If the only restriction on the sale of such shares requires that such shares be sold in "brokers' transactions" within the meaning of paragraph (e) of Rule 133 or paragraph (g) of Rule 144 under the Securities Act of 1933, as amended, the personal representative of such estate will use its best efforts for a period of thirty (30) days to effect the sale of the shares desired to be sold by the estate in such "brokers' transactions" and if the number of shares desired to be sold cannot be so sold within said thirty (30) day period, then the personal representative of such estate shall have the rights set forth in (b) below. The matter of whether the shares owned by the estate of such decedent may be sold without the foregoing restrictions and the

matter of the scope of any such "no action" letter with respect to the proposed sale of such shares by such estate shall be subject to the mutual approval of counsel for Borg and counsel for such estate, which approval shall not be unreasonably withheld. This paragraph shall be applicable both upon the death of Lutisha Boulton and upon the death of Irene Boulton.

(b) The personal representative of said estates may request Borg in writing to effect the registration of the BW shares owned by the estate under the Securities Act of 1933, as then in effect, and said personal representative shall at the same time advise the survivor of Lutisha and Irene Boulton, and also J. W. Boulton, Jr., and Don C. Boulton, of said request. Upon receipt of such request, Borg shall, as soon as practicable, effect the registration under the Securities Act of such BW shares which Borg has been requested to register. If Borg shall, within twenty (20) days from the date of receipt of the request from said estate have received written request from the survivor of Lutisha and Irene Boulton, or from J. W. Boulton, Jr., or from Don C. Boulton (provided the request from J. W. or Don C. Boulton is received within said twenty-day period but not later than four years from date hereof) to register shares held by any one or more of such three persons, Borg shall also effect registration of shares held by such persons, subject to the conditions stated elsewhere in this letter.

(c) General Provisions Relating to Registration. Borg's obligation under subparagraph (b) are subject to the following conditions:

1. That the estate of Lutisha or Irene Boulton, as the case may be, together with all other persons who shall have requested Borg to register their shares under (b) above (collectively referred to as the "Selling Stockholders") shall cooperate with Borg in the preparation and filing of such registration statement and shall make such representations, warranties, covenants, and indemnification to the underwriters, if any, and Borg as may reasonably be requested by such underwriter and Borg;

2. The estates of Lutisha and Irene Boulton shall be entitled to only one registration each hereunder;

3. That if the offering is not completed within ninety (90) days after the effective date of such registration statement, Borg shall be entitled to deregister any unsold portion of said shares; and

4. That the preparation and filing of any such registration and any such underwriting or other arrangements relating thereto, shall be subject to the approval of Borg.

(d) Expenses. All expenses incurred by Borg in complying with any request made pursuant to subparagraph (b) above, including all registration and filing fees, printing expenses, fees and disbursements of counsel and accountants for Borg and all expenses of complying with the State Securities or Blue Sky Laws, shall be paid by Borg. All expenses of providing the warranties to be given by, and all fees and disbursements of counsel for, such Selling Stockholders and all underwriting commissions and discounts of any underwriter of the securities sold or to be sold by such Selling Stockholders shall be paid by them.

(e) Indemnification. In connection with any registration statement in which any BW shares are registered pursuant hereto, Borg agrees that it will indemnify and hold such Selling Stockholders harmless against any losses, claims, damages or liabilities, joint or several, arising out of or based upon any untrue statement or alleged untrue statement of any material fact contained in such registration statement (or the prospectus included therein or any amendment or supplement thereto) or arising out of or based upon the omission or alleged omission (except, as to any preliminary prospectus, for items permitted to be omitted by Rule 433 of the Rules and Regulations of the Securities and Exchange Commission under the Securities Act) to state therein a material fact required to be stated therein or necessary to make the statement therein not misleading, except insofar as any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any such registration statement, preliminary prospectus or prospectus in reliance upon and in conformity with written information furnished Borg by such Selling Stockholders, as to which such Selling Stockholders shall similarly indemnify and hold harmless Borg, its officers or directors. Any such indemnifying party further agrees to reimburse such indemnified party for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action. The liabilities of Borg and such Selling Stockholders under this indemnity agreement shall be in addition to any liabilities which any of them may otherwise have.

(f) Successors. Provisions of this letter agreement shall inure to and be binding upon the heirs and executors of all persons agreeing hereto.

Yours very truly,

BORG-WARNER CORPORATION

By _____

Accepted and agreed to:

_____ Date: 8-29-72

_____ Date: 8-29-72

_____ Date: 8-29-72

_____ Date: 8-29-72