THIS ASSET PURCHASE AGREEMENT (the "Agreement"), dated as of November 21, 1994, is by and between PNEUMO ABEX CORPORATION, a corporation organized under the laws of Delaware ("Seller"), and WAGNER ELECTRIC CORPORATION, a corporation organized under the laws of Delaware ("Buyer"). Unless otherwise defined herein, capitalized terms shall have the meanings ascribed in Article I.

WHEREAS, Seller wishes to sell and assign to Buyer, and Buyer wishes to purchase and assume from Seller, the Business and substantially all of the assets and liabilities of the Division, other than the Retained Assets and the Retained Liabilities, all upon the terms and subject to the conditions set forth herein.

NOW THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I

Definitions

Section 1.1 Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

"Abex" shall mean Abex, Inc., a Delaware corporation.

"Accounting Arbitrator" shall mean a mutually acceptable office of the accounting firm, Coopers & Lybrand.

"Action" shall mean any actual or threatened action, claim, suit, arbitration, proceeding or investigation.

"Additional Measures" shall have the meaning set forth in Section 8.5(c).

"Adjusted Closing Balance Sheet" shall mean Column (iv) of the unaudited combined statement of net assets of the Division as of the Closing Date, prepared in accordance with Section 2.7.

"Adjusted December Balance Sheet" shall mean the unaudited combined statement of net assets of the Division as of December 31, 1993, as set forth in Column (iv) of Exhibit 2.7.