Agreement has been duly executed and delivered by Seller and, assuming the due execution and delivery hereof by Buyer, this Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the rights and remedies of creditors generally and to general principles of equity (regardless of whether a proceeding is brought in equity or at law).

Section 3.2 Capitalization; Structure. The entire authorized capital stock of the Canadian Subsidiary consists of unlimited shares of common stock, without par value, of which 100 shares are issued and outstanding (the "Canadian Shares" hereunder) and no shares are held in treasury. All of the Canadian Shares are held of record and owned beneficially by Seller, free and clear of all Encumbrances (except for Encumbrances that will be released at or prior to Closing), and are duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights. Schedule 3.2 lists all Encumbrances on the Canadian Shares which will be released at or prior to Closing. At the Closing, Seller will transfer to Buyer good title to the Canadian Shares, free and clear of all Encumbrances. Except pursuant to this Agreement, there are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, or contracts or commitments of any kind that could require Seller or the Canadian Subsidiary to issue, sell, or otherwise cause to become outstanding any of the Canadian Subsidiary's capital stock or other equity interests in the Canadian Subsidiary. Except as set out on Schedule 3.2 or as provided in the Canadian Subsidiary's certificate of incorporation or by-laws, there are no voting trusts, proxies, or other agreements or understandings with respect to the voting of the capital stock of the Canadian Subsidiary.

Section 3.3 Financial Statements. Seller has previously delivered to Buyer the balance sheet of the Division at December 31, 1993, and the income statement and statement of cash flows of the Division for the year then ended, together with the audit report of Arthur Andersen & Co. thereon (the "Financial Statements"). Such Financial Statements (x) have been prepared based on the books and records of Seller in accordance with GAAP applied on a consistent basis (except as set forth in the notes to such Financial Statements) and (y) present fairly, in all material respects, the financial position, results of operations, and cash flows of the Division as of such date or for such year, except as set forth in the notes to such Financial Statements. Solely for purposes of Section 9.1 (and not for any other purpose including Article XI), the representations and warranties contained in this Section 3.3 shall include environmental matters.