

BNS Holding, Inc.
61 East Main Street, Suite B
Los Gatos, California 95031

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON FEBRUARY 17, 2010**

Dear Stockholder:

The special meeting of stockholders of BNS Holding, Inc., a Delaware corporation (“BNS”) will be held on Wednesday, February 17, 2010 at 10:00 a.m. local time, at the offices of Olshan Grundman Frome Rosenzweig & Wolosky LLP at Park Avenue Tower, 65 East 55th Street, 2nd Floor, New York, New York 10022, for the following purposes:

1. To approve the sale of the Holding Stock, as defined below, which constitutes the sale of substantially all of BNS’s assets, by BNS to Vehicle Acquisition, Inc., a Delaware corporation (“Buyer”) as contemplated by the Stock Purchase Agreement (the “Stock Purchase Agreement”) dated as of January 26, 2010 between BNS and Buyer (the “Sale Proposal”); and
2. The transaction of such other business as may properly come before the special meeting or any adjournment or postponement thereof.

The General Corporation Law of the State of Delaware does not provide for stockholder appraisal or dissenters’ rights in connection with the types of actions contemplated by the Sale Proposal.

The Board has fixed the close of business on December 28, 2009, as the record date for the determination of stockholders entitled to notice of and to vote at the special meeting and at any adjournment or postponement of the meeting. On that date, there were 3,011,333 shares of BNS’s Class A common stock, par value \$0.01 per share (“Common Stock”), outstanding and entitled to vote.

On January 26, 2010, BNS entered into the Stock Purchase Agreement with Buyer pursuant to which Buyer agreed to purchase the 26,400 shares (the “Holding Stock”) of Collins I Holding Corp., a Delaware corporation (“Holding Sub”), owned by BNS for \$64,918,000. Holding Sub owns all of the outstanding equity interest of Collins Industries, Inc., a Missouri corporation (“Collins”) and it is the sole asset of Holding Sub. The Holding Stock constitutes 80% of the outstanding common stock of Holding Sub.

The sale of the Holding Stock constitutes a sale of substantially all of BNS’s assets within the meaning of the General Corporation Law of the State of Delaware, and thus, at the special meeting of stockholders, BNS will ask you to consider and vote upon a proposal to approve the sale of the Holding Stock as contemplated by the Stock Purchase Agreement.

The Sale Proposal must be approved by the affirmative vote of holders of a majority of BNS’s outstanding shares of Common Stock entitled to vote at the special meeting. In connection with the Stock Purchase Agreement, Steel Partners II, L.P. (“SP II”) and Steel Partners Holdings L.P. (“SPH”) have each entered into a Support Agreement with Buyer, pursuant to which they have agreed to vote all of their shares of Common Stock in favor of the adoption and approval of the Stock Purchase Agreement. SP II and SPH collectively own approximately 51.1% of the outstanding Common Stock of BNS. Because the shares owned by SP II and SPH constitute the majority of the outstanding Common Stock of BNS, the vote of SP II and SPH to adopt and approve the sale of the Holding Stock pursuant to the Support

Agreements will cause the approval by the BNS stockholders of the sale of the Holding Stock as contemplated by the Stock Purchase Agreement.

Accompanying this notice of special meeting is a proxy card. Whether or not you expect to attend the special meeting, please complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided. If you fail to return your proxy card and do not vote in person at the special meeting, it will have the same effect as a vote against the Sale Proposal. If your shares of Common Stock are held in "street name" by your broker, bank or other nominee, you should instruct your broker, bank or other nominee how to vote your shares of Common Stock using the instructions provided by your broker, bank or other nominee. If you attend the special meeting and vote in person, your vote by ballot will revoke any proxy you previously submitted. However, if you hold your shares of Common Stock through a broker, bank or other nominee, you must provide a legal proxy issued from such broker, bank or nominee in order to vote your shares in person at the special meeting.

All stockholders are cordially invited to attend the special meeting.

By Order of the Board of Directors,

/s/ Kenneth N. Kermes

President and Chairman of the Board
Los Gatos, California
January 27, 2010

Your vote is important. Please vote your shares whether or not you plan to attend the meeting.

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**BNS Holding, Inc.
61 East Main Street, Suite B
Los Gatos, California 95031**

PROXY STATEMENT

The board of directors (the “Board”) of BNS Holding, Inc., a Delaware corporation (which we refer to as “BNS,” “we,” “our,” and “us”), is soliciting the enclosed proxy for use at the special meeting of stockholders to be held on Wednesday, February 17, 2010 at 10:00 a.m. local time, at the offices of Olshan Grundman Frome Rosenzweig & Wolosky LLP at Park Avenue Tower, 65 East 55th Street, 2nd Floor, New York, New York 10022.

The question and answer section that follows highlights certain information about the sale of the Holding Stock, as defined below, and the special meeting. This question and answer section may not contain all of the information that is important to you. For a more complete description of the sale of the Holding Stock, you should carefully read the Stock Purchase Agreement attached hereto as Annex A in its entirety before you vote. See also “Where You Can Find More Information” on page 14.

QUESTIONS AND ANSWERS ABOUT THE SALE OF THE HOLDING STOCK AND THE SPECIAL MEETING

Questions and Answers about the Sale of the Holding Stock

What is the proposed transaction?

The proposed transaction is for the sale of the 26,400 shares (the “Holding Stock”) of Collins I Holding Corp., a Delaware corporation (“Holding Sub”), owned by BNS to Vehicle Acquisition, Inc., a Delaware corporation (“Buyer”), pursuant to the Stock Purchase Agreement, dated as of January 26, 2010, by and between BNS and Buyer (the “Stock Purchase Agreement”). Holding Sub owns all of the outstanding equity interest in Collins Industries, Inc., a Missouri corporation (“Collins”), and it is the sole asset of Holding Sub. The Holding Stock constitutes 80% of the outstanding common stock of Holding Sub. Under the terms of the Stock Purchase Agreement, if the sale of the Holding Stock is approved by our stockholders and the other closing conditions under the Stock Purchase Agreement have been satisfied or waived, we will sell the Holding Stock to Buyer. As consideration for the transactions contemplated by the Stock Purchase Agreement, Buyer will pay us an aggregate cash purchase price of \$64,918,000 for the Holding Stock.

In addition, the Stock Purchase Agreement provides that (i) the Warrant of BNS dated October 31, 2006 to purchase up to 38,304 shares of common stock of Holding Sub will be cancelled and (ii) the Tax Sharing Agreement between BNS, Holdings, Collins and the direct and indirect subsidiaries of Collins dated October 31, 2006 (the “Tax Sharing Agreement”) will be terminated.

Who are the parties to the Stock Purchase Agreement?

BNS

Immediately prior to October 31, 2006, BNS had no active trade or business operations. On October 31, 2006 BNS became the holder of 26,400 shares or 80% of the outstanding common stock of Holding Sub, the parent entity of Collins, with Collins being its sole operating subsidiary.

Buyer

Buyer is not affiliated with BNS, Steel Partners II, L.P. (“SP II”) or Steel Partners Holdings LP (“SPH”), the collective owners of 1,537,464 shares of BNS or approximately 51.1% of the outstanding common stock of BNS.

Who are Holding Sub and Collins?

Holding Sub

Holding Sub is the holding company formed solely for the purpose of acquiring Collins. Holding Sub owns all of the outstanding equity interest of Collins.

Collins

Collins was founded in 1971 as a manufacturer of small school buses and ambulances. Collins’ initial product was the first “Type A” school bus, designed to carry 14 to 20 passengers. Collins is a manufacturer of specialty vehicles and has three reportable segments: ambulances, buses, and terminal trucks/road construction equipment. The ambulance segment manufactures modular and van type ambulances for sale to hospitals, ambulance services, fire departments and other governmental agencies. The bus segment manufactures small school, activity and shuttle buses for sale principally to schools, day care centers, churches, nursing homes, retirement centers and other nonprofit organizations. The terminal truck/road construction equipment segment produces off-road trucks designed to move trailers and containers for warehouses, truck terminals, rail yards, rail terminals and shipping ports. This segment also manufactures a line of road construction equipment. Each of Collins’ segments is responsible for its own marketing activities and maintains independent relationships with dealers and distributors.

What is the purchase price?

If the sale of the Holding Stock pursuant to the Stock Purchase Agreement is completed, Buyer will pay us an aggregate cash purchase price of \$64,918,000.

Can BNS pursue transactions with other parties between signing of the Stock Purchase Agreement and closing?

The Stock Purchase Agreement does not contain a “go shop” provision which would allow BNS to pursue a transaction with other potential purchasers of the Holding Stock without the approval of Buyer. The Stock Purchase Agreement does contain a “no shop” provision which would allow BNS to pursue a transaction with other potential purchasers of the Holding Stock under certain limited circumstances. In addition, subject to specified exceptions in the Agreement, BNS may not, nor may it permit or authorize any of its subsidiaries or representatives to:

- initiate or solicit or knowingly cause, encourage or facilitate any alternative proposal;
- enter into, continue or otherwise participate in any discussions or negotiate with any person in connection with an alternative proposal;
- approve, endorse or recommend to the stockholders of BNS any alternative proposal; or
- enter into an agreement (other than a confidentiality agreement entered into in accordance with the Stock Purchase Agreement) with respect to an alternative proposal.

Does the Agreement contain a break-up fee?

Under certain circumstances, BNS is required to pay Buyer a termination fee of \$2,500,000. In addition, under certain circumstances, in the event of a termination of the Agreement, BNS must reimburse Buyer for its expenses up to an amount of \$500,000 (which would be deducted from the break-up fee to the extent it was payable).

Is BNS restricted from pursuing certain business activities following the transaction?

The Stock Purchase Agreement contains customary noncompetition and nonsolicitation agreements effective as of the closing of the sale of the Holding Stock. BNS has agreed that, for a period of 5 years following the closing of the sale of the Holding Stock, it shall not, directly or indirectly, own, manage, operate, control or participate in the ownership, management, operation or control of any business engaged in the business and operations of Holding Sub or its subsidiaries, including Collins, associated with the manufacturing and sale of ambulances, Class A school buses or terminal trucks (the "Collins Business"). In addition, BNS has agreed that, for a period of 3 years following the closing of the sale of the Holding Stock, it shall not solicit or induce the employment or services of or hire any employee of Buyer, Holding Sub or the subsidiaries of Holding Sub, including Collins, or any employee providing services to the Collins Business without the prior written consent of Buyer.

What are the Conditions to Closing?

Conditions to Each Party's Obligations

The obligations of the parties to consummate the transactions contemplated by the Stock Purchase Agreement are subject to the satisfaction or waiver, as of the closing date, of the following conditions:

- the approval of our stockholders; and
- no preliminary or permanent injunction or other judicial or administrative decision and no order or law in either case that has the effect of making the transactions invalid or unenforceable or otherwise prevents the consummation of the transactions contemplated by the Stock Purchase Agreement.

Conditions to Our Obligations

Our obligation to consummate the transactions contemplated by the Stock Purchase Agreement are further subject to the satisfaction or waiver, as of the closing date, of the following conditions:

- Buyer's delivery of the agreements, documents and other items pursuant to the Stock Purchase Agreement;
- all of the representations and warranties of Buyer contained in the Stock Purchase Agreement must be true and correct as of such date specified in the Stock Purchase Agreement except where the failure of such representations and warranties to be true and correct has not and would not reasonably be expected to prevent or materially impair or delay the ability of Buyer to consummate the transactions contemplated by the Stock Purchase Agreement; and

- Buyer must have performed or complied, in all material respects, with all of the covenants and agreements required by the Stock Purchase Agreement to be performed or complied with by Buyer on or before the closing date.

Conditions to Buyer's Obligations

Buyer's obligation to consummate the transactions contemplated by the Stock Purchase Agreement are further subject to the satisfaction or waiver, as of the closing date, of the following conditions:

- our delivery of the agreements, documents and other items pursuant to the Stock Purchase Agreement;
- all of our representations and warranties contained in the Stock Purchase Agreement must be true and correct as of such date specified in the Stock Purchase Agreement except where the failure of such representations or warranties to be true and correct has not had and would not reasonably be expected to have a material adverse effect, as defined in the Stock Purchase Agreement;
- we must have performed or complied, in all material respects, with all of the covenants and agreements required by the Stock Purchase Agreement to be performed or complied with by us on or before the closing;
- Buyer must have received evidence of the cancellation of all warrants of BNS exercisable for Holding Sub common stock and the cancellation of the Tax Sharing Agreement;
- Buyer must have received a duly executed certificate of non-foreign status from BNS that complies with Section 1445 of the Internal Revenue Code of 1986, as amended (the "Code");
- Buyer must have received resignations effective as of the closing date of certain officers and directors from their positions with Holding Sub and Collins;
- since January 26, 2010, a material adverse effect, as such term is defined in the Stock Purchase Agreement, must not have occurred;
- Buyer must have received evidence of the release of the lien on the Holding Stock made in connection with the term loan from SP II dated October 30, 2006 (the "Steel Term Loan"); and
- Buyer must have received the audited financial statements of Holding Sub, and they shall (i) be substantially the same as the unaudited statements previously delivered, (ii) have been prepared in accordance with GAAP, (iii) present fairly, in all material respects, the financial conditions and results of operations of Holding Sub and (iv) be complete, correct and in accordance with the books of account and records of Holding Sub in all material respects.

What are the other material terms of the Stock Purchase Agreement?

In the Stock Purchase Agreement, we make certain representations and warranties and have agreed to certain covenants, indemnification obligations and other customary provisions. You are

encouraged to carefully read the Stock Purchase Agreement in its entirety, a copy of which is attached hereto as *Annex A*.

Why did we agree to sell the Holding Stock?

Our Board approved the proposed sale of the Holding Stock to Buyer because, among other reasons, our Board believed it to be in the best interests of BNS and its stockholders, constituted the highest price likely to be negotiated with Buyer or any other potential buyer in a sale of the Holding Stock and was likely to be completed. Our Board consulted with our management and our legal advisors and considered a number of factors, including possible alternatives to the sale, the sale process and terms, and the opinion of Ladenburg Thalmann & Co. Inc. (“Ladenburg Thalmann”). After careful evaluation of the potential benefits, negative factors and other material considerations relating to the sale of the Holding Stock and the Stock Purchase Agreement, our Board unanimously concluded that the sale of the Holding Stock and our entering into the Stock Purchase Agreement are advisable, fair to, and in the best interests of, BNS and our stockholders.

What is the intended use of proceeds from the sale of the Holding Stock?

If the Stock Purchase Agreement and the transactions contemplated thereby are approved and adopted by our stockholders and the other conditions to closing are satisfied, we intend to use the proceeds to pay down existing debt owed to our creditors, including the remaining balance on the Steel Term Loan, which currently bears interest at a rate of 15% per annum and matures on August 31, 2011, for general corporate purposes and in connection with strategic alternatives (for which we may or may not seek stockholder approval depending upon applicable law). No proceeds will be distributed to our stockholders as a result of the proposed sale of the Holding Stock.

Has BNS obtained an opinion from a financial advisor regarding the fairness of the sale of Holding Stock?

On January 25, 2010, Ladenburg Thalmann delivered its oral opinion, which opinion was subsequently confirmed in writing that day, to our Board to the effect that, as of such date and based upon the assumptions made, matters considered and limits of such review, in each case as set forth in its opinion, the purchase price to be received by BNS pursuant to the proposed sale of the Holding Stock to Buyer was fair from a financial point of view to BNS’s unaffiliated stockholders (all stockholders other than SP II and SPH).

The full text of the written opinion of Ladenburg Thalmann, dated as of January 25, 2010, which sets forth the assumptions made, matters considered and limits on the scope of the review undertaken in connection with the opinion is attached as *Annex B* to this proxy statement. The summary of Ladenburg Thalmann’s opinion contained in this proxy statement is qualified by reference to the full text of Ladenburg Thalmann’s opinion, and you are encouraged to carefully read the opinion in its entirety. Ladenburg Thalmann’s opinion was delivered to our Board for its use and benefit in its evaluation of the sale of the Holding Stock to Buyer, does not address the merits of the underlying decision by BNS to sell the Holding Stock and does not constitute a recommendation to any BNS stockholder as to how to vote on the proposal to approve the sale of Holding Stock by BNS to Buyer as contemplated by the Stock Purchase Agreement (the “Sale Proposal”).

Are there any Governmental and Regulatory Approvals required to approve the transaction?

Neither BNS nor Buyer is aware of any regulatory approvals required to be obtained, or waiting periods to expire, to complete the sale of the Holding Stock to Buyer. If the parties discover that approvals or waiting periods are necessary, they will seek to obtain or comply with them.

When is the sale of the Holding Stock expected to be completed?

If the Sale Proposal is approved by our stockholders at the special meeting, we expect to complete the sale of the Holding Stock as soon as practicable after the special meeting, assuming all of the conditions in the Stock Purchase Agreement have been satisfied or waived. The Stock Purchase Agreement provides that if closing does not occur before February 19, 2010, then BNS and Buyer each have the right, without the consent of the other party, to terminate the Stock Purchase Agreement. We and Buyer are working toward satisfying the conditions to closing and completing the sale of the Holding Stock as soon as reasonably practicable. However, the sale of the Holding Stock might not be completed soon or at all.

What will happen if the Sale Proposal is not approved by our stockholders?

If the Sale Proposal is not approved by our stockholders at the special meeting or at any adjournment or postponement of the special meeting, the sale of the Holding Stock will not be completed as currently contemplated by the Stock Purchase Agreement. In such event, we would continue to conduct our business and would evaluate all available strategic alternatives. Under specified circumstances, BNS might be required to pay Buyer a termination fee and/or reimburse Buyer for certain reasonable out-of-pocket expenses in the event that the transactions contemplated by the Stock Purchase Agreement are not completed.

What will happen to my shares of Common Stock if the sale of the Holding Stock is completed?

The sale of the Holding Stock will not alter the rights, privileges or nature of the outstanding shares of our Class A common stock, par value \$0.01 per share (“Common Stock”). A stockholder who owns shares of our Common Stock immediately prior to the closing of the sale of the Holding Stock, subject to any actions taken solely by the stockholder, will continue to hold the same number of shares immediately following the closing. Upon consummation of the transaction, BNS will have no operating subsidiaries. Subsequent to closing, BNS may seek to acquire through a merger, capital stock exchange, asset acquisition or other similar business combination, one or more businesses or assets. However, BNS has not had, nor has anyone on its behalf, contacted any prospective target business or had any substantive discussion, formal or otherwise, with respect to such a transaction.

Am I entitled to appraisal or dissenters’ rights in connection with the Sale Proposal?

No. The General Corporation Law of the State of Delaware does not provide for stockholder appraisal or dissenters’ rights in connection with this type of action.

What are the material U.S. federal income tax consequences of the sale of the Holding Stock?

The following is a summary of the material United States federal income tax consequences from the sale of the Holding Stock to stockholders of BNS. This discussion does not address any tax consequences arising under the laws of any state, local or foreign jurisdiction.

Because stockholders of BNS are not selling or otherwise exchanging their stock in BNS in connection with the transaction and no proceeds from the sale of the Holding Stock will be distributed to stockholders of BNS, the sale of the Holding Stock should not result in any U.S. federal income tax consequences to stockholders of BNS.

Questions and Answers about the Special Meeting

Why did you send me this proxy statement?

We are a Delaware corporation and therefore required to obtain the approval of our stockholders for the sale of the Holding Stock because it represents a sale of all or substantially all of our assets. This proxy statement summarizes information you need to know to vote at the special meeting. All stockholders are cordially invited to attend the special meeting in person. However, you do not need to attend the meeting to vote your shares. Instead, you may simply complete, sign, date and return the enclosed proxy card.

When and where will the special meeting be held?

The special meeting will be held on Wednesday, February 17, 2010 at 10:00 a.m. local time, at the offices of Olshan Grundman Frome Rosenzweig & Wolosky LLP at Park Avenue Tower, 65 East 55th Street, 2nd Floor, New York, New York 10022.

What will I be asked to vote upon at the special meeting?

At the special meeting, you will be asked to vote upon the approval of the Sale Proposal. After careful consideration, our Board unanimously recommends that you vote “FOR” the Sale Proposal.

Who can vote at the special meeting of stockholders of BNS? What constitutes a quorum?

Currently, BNS’s only class of outstanding voting securities is the Common Stock. Only holders of record of shares of our Common Stock at the close of business on December 28, 2009, which we refer to as the “record date,” are entitled to notice of and to vote at the special meeting. On the record date, 3,011,333 shares of our Common Stock were issued and outstanding and held by approximately 129 holders of record. Holders of record of shares of our Common Stock on the record date are entitled to one vote per share at the special meeting.

A quorum is necessary to hold a valid special meeting. A quorum will be present at the special meeting if the holders of a majority of the shares of our Common Stock outstanding and entitled to vote on the record date are present, either in person or by proxy. Shares of Common Stock represented at the special meeting but not voted, including shares of Common Stock for which we have received proxies indicating that the submitting stockholders have abstained, will be treated as present at the special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business.

What vote is required to approve the Sale Proposal?

Your vote is important. The Sale Proposal must be approved by the affirmative vote of holders of a majority of BNS’s outstanding shares of Common Stock entitled to vote at the special meeting.

In connection with the Stock Purchase Agreement, SP II and SPH have each entered into a support agreement with Buyer dated January 26, 2010 (the “Support Agreement”), attached hereto as

Annex C, pursuant to which they have agreed to vote all of their shares of Common Stock in favor of the adoption and approval of the Stock Purchase Agreement. SP II and SPH collectively own 1,537,464 shares of BNS or approximately 51.1% of the outstanding stock of BNS. Because the shares owned by SP II and SPH constitute the majority of the outstanding Common Stock, the vote of SP II and SPH to adopt and approve the sale of the Holding Stock pursuant to the Support Agreement will cause the approval by the BNS stockholders of the sale of the Holding Stock as contemplated by the Stock Purchase Agreement.

An abstention from the vote, a failure to vote your shares, or a “broker non-vote” will have the same effect as voting “AGAINST” the Sale Proposal. A “broker non-vote” occurs when a broker does not have discretion to vote on the matter and has not received instructions from the beneficial holder as to how such holder’s shares are to be voted on the matter.

How do I vote or change my vote?

You may vote by proxy or in person at the special meeting.

Voting in Person—If you hold shares in your name as a stockholder of record and plan to attend the special meeting and wish to vote in person, you will be given a ballot at the special meeting or you may give us a signed proxy card before voting is closed. If you would like to attend the special meeting, please bring proof of identification with you to the special meeting. Even if you plan to attend the special meeting, we strongly encourage you to submit a proxy for your shares in advance as described below, so your vote will be counted if you later decide not to attend. If your shares are held in “street name,” which means your shares are held of record by a broker, bank or other nominee, and you wish to vote in person at the special meeting, you must bring to the special meeting a proxy from the record holder of the shares (your broker, bank or nominee) authorizing you to vote at the special meeting. To do this, you should contact your broker, bank or nominee.

Voting by Proxy—If you hold shares in your name as a stockholder of record, then you received this proxy statement and a proxy card from us. You may submit a proxy for your shares by mail without attending the special meeting by completing; signing, dating and returning the proxy card in the postage-paid envelope provided. If you hold shares in “street name” through a broker, bank or other nominee, then you received this proxy statement from the broker, bank or nominee, along with the broker, bank or nominee’s voting instructions. You should instruct your broker, bank or other nominee on how to vote your shares of Common Stock using the voting instructions provided. All shares represented by properly executed proxies received in time for the special meeting will be voted in the manner specified by the stockholders giving those proxies. Properly executed proxies that do not contain specific voting instructions will be voted “FOR” the Sale Proposal.

Revocation of Proxy—Submitting a proxy on the enclosed form does not preclude a stockholder from voting in person at the special meeting. If you hold your shares in your name as stockholder of record, you may revoke a proxy at any time before it is voted by filing with our Corporate Secretary a duly executed revocation of proxy, by submitting a duly executed proxy with a later date or by attending the special meeting and voting in person. A stockholder of record may revoke a proxy by any of these methods, regardless of the method used to deliver the stockholder’s previous proxy. Attendance at the special meeting without voting will not by itself revoke a proxy. If your shares are held in street name through a broker, bank or other nominee, you must contact your broker, bank or nominee to revoke your proxy.

If my shares are held in “street name” by my broker, will my broker vote my shares for me?

Your broker will not vote your shares on your behalf unless you provide instructions to your broker on how to vote. If your shares of Common Stock are held in “street name,” you will receive instructions from your broker, bank or other nominee that you must follow in order to have your shares voted. Brokers who hold shares in “street name” for customers are precluded from exercising their voting discretion with respect to approving non-routine matters such as the sale of the Holding Stock and, as a result, absent specific instructions from the beneficial owner of the shares, brokers are not empowered to vote those shares, referred to generally as “broker non-votes.” These “broker non-votes” will be counted for purposes of determining whether a quorum is present at the special meeting and will have the same effect as a vote “AGAINST” the Sale Proposal.

How are proxies solicited?

This proxy solicitation is being made and paid for by BNS on behalf of its Board. Our directors, officers and employees may solicit proxies by personal interview, mail, email, telephone, facsimile or other means of communication. These directors, officers and employees will not be paid additional remuneration for their efforts. We will also request brokers and other fiduciaries to forward proxy solicitation material to the beneficial owners of shares of Common Stock that the brokers and fiduciaries hold of record. Upon request, we will reimburse the brokers and other fiduciaries for their reasonable out-of-pocket expenses for doing this.

What does it mean if I get more than one proxy card?

If your shares are registered differently and are in more than one account, you might receive more than one proxy card. Please complete, sign, date and return all of the proxy cards you receive regarding the special meeting to ensure that all of your shares are voted.

How are proxies counted?

Only shares affirmatively voted for the Sale Proposal, and properly executed proxies that do not contain specific voting instructions, will be counted as favorable votes for the Sale Proposal. Shares of our Common Stock held by persons attending the special meeting but not voting, and shares of our Common Stock for which we received proxies but with respect to which holders of those shares have abstained from voting, will have the same effect as votes “AGAINST” the Sale Proposal.

Can I vote via the Internet or by telephone?

If your shares are registered in the name of a bank or brokerage firm, you might be eligible to vote your shares electronically over the Internet or by telephone. A large number of banks and brokerage firms offer Internet and telephone voting. If your bank or brokerage firm does not offer Internet or telephone voting information, please vote your shares pursuant to the specific voting instructions provided by your bank or brokerage firm.

Who can help answer my other questions?

If you have more questions about the sale of the Holding Stock, need assistance in submitting your proxy or voting your shares, or need additional copies of the proxy statement or the enclosed proxy card, you should contact the Corporate Secretary in writing at BNS Holding, Inc., 61 East Main Street, Suite B, Los Gatos, California 95031, email the Corporate Secretary at info@bnsholding.com or visit our web site at <http://www.bnsholding.com>.

PROPOSAL 1: THE SALE PROPOSAL

The Board has unanimously approved and recommends to the stockholders that they consider and approve the sale of the Holding Stock to Buyer pursuant to the Stock Purchase Agreement, dated as of January 26, 2010, by and between BNS and Buyer. Holding Sub owns all of the outstanding equity interest in Collins, and Collins is the sole asset of Holding Sub. The Holding Stock constitutes 80% of the outstanding common stock of Holding Sub. Under the terms of the Stock Purchase Agreement, if the sale of the Holding Stock is approved by our stockholders and the other closing conditions under the Stock Purchase Agreement have been satisfied or waived, we will sell the Holding Stock to Buyer. As consideration for the transactions contemplated by the Stock Purchase Agreement, Buyer will pay us an aggregate cash purchase price of \$64,918,000 for the Holding Stock.

The question and answer section above highlights certain information about the sale of the Holding Stock. We recommend that you carefully read the Stock Purchase Agreement, included as *Annex A* to this proxy statement, for the complete terms of the sale of the Holding Stock and other information that might be important to you.

THE BOARD UNANIMOUSLY RECOMMENDS THAT THE COMPANY'S STOCKHOLDERS VOTE "FOR" THE SALE PROPOSAL.

THE SPECIAL MEETING

Time, Place and Purpose of the Special Meeting

This proxy statement is being furnished to our stockholders as part of the solicitation of proxies by our Board for use at the special meeting to be held on Wednesday, February 17, 2010 at 10:00 a.m. local time, at the offices of Olshan Grundman Frome Rosenzweig & Wolosky LLP at Park Avenue Tower, 65 East 55th Street, 2nd Floor, New York, New York 10022.

The purpose of the special meeting is for our stockholders to consider and vote upon a proposal to approve the sale of the Holding Stock.

Recommendation of Our Board

BNS's Board, after careful consideration, has unanimously approved the Stock Purchase Agreement and determined that the sale of the Holding Stock is advisable, fair to, and in the best interests of, BNS and its stockholders. BNS's Board unanimously recommends that you vote "FOR" the Sale Proposal.

Record Date and Quorum

We have fixed the close of business on December 28, 2009, as the record date for the special meeting, and only holders of record of our Common Stock on the record date are entitled to vote at the special meeting. On the record date, 3,011,333 shares of our Common Stock were issued and outstanding and held by approximately 129 holders of record. Holders of record of shares of our Common Stock on the record date are entitled to one vote per share at the special meeting on the Sale Proposal.

A quorum is necessary to hold a valid special meeting. A quorum will be present at the special meeting if the holders of a majority of the shares of our Common Stock outstanding and entitled to vote on the record date are present, either in person or by proxy. Shares of Common Stock represented at the special meeting but not voted, including shares of Common Stock for which we have received proxies

indicating that the submitting stockholders have abstained, will be treated as present at the special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business.

Proxies and Revocations

Submitting a proxy on the enclosed form does not preclude a stockholder from voting in person at the special meeting. If you hold your shares in your name as stockholder of record, you may revoke a proxy at any time before it is voted by filing with our Corporate Secretary a duly executed revocation of proxy, by submitting a duly executed proxy with a later date or by appearing at the special meeting and voting in person. A stockholder of record may revoke a proxy by any of these methods, regardless of the method used to deliver the stockholder's previous proxy. Attendance at the special meeting without voting will not by itself revoke a proxy. If your shares are held in street name through a broker, bank or other nominee, you must contact your broker, bank or nominee to revoke your proxy.

Adjournments and Postponements

Although it is not currently expected, the special meeting may be adjourned or postponed for the purpose of soliciting additional proxies to approve the Sale Proposal. Any adjournment may be made without notice, other than by an announcement made at the special meeting of the time, date and place of the adjourned meeting. Adjournment of the meeting can be made by a majority of the votes properly cast, whether or not a quorum is present at the meeting. Any adjournment or postponement of the special meeting for the purpose of soliciting additional proxies will allow our stockholders who have already sent in their proxies to revoke them at any time prior to their use at the special meeting as adjourned or postponed.

Rights of Stockholders Who Object to the Sale of the Holding Stock

The General Corporation Law of the State of Delaware does not provide for stockholder appraisal or dissenters' rights in connection with the types of actions contemplated under the Sale Proposal.

Solicitation of Proxies

This proxy solicitation is being made and paid for by BNS on behalf of its Board. Our directors, officers and employees may solicit proxies by personal interview, mail, email, telephone, facsimile or other means of communication. These directors, officers and employees will not be paid additional remuneration for their efforts. We will also request brokers and other fiduciaries to forward proxy solicitation material to the beneficial owners of shares of Common Stock that the brokers and fiduciaries hold of record. Upon request, we will reimburse the brokers and other fiduciaries for their reasonable out-of-pocket expenses for doing so.

Questions and Additional Information

If you have more questions about the sale of the Holding Stock, need assistance in submitting your proxy or voting your shares, or need additional copies of the proxy statement or the enclosed proxy card, you should contact the Corporate Secretary in writing at BNS Holding, Inc., 61 East Main Street, Suite B, Los Gatos, California 95031, email the Corporate Secretary at info@bnsholding.com or visit our web site at <http://www.bnsholding.com>.

**THE BOARD OF BNS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE
"FOR" THE SALE PROPOSAL.**

ADDITIONAL AGREEMENTS IN CONNECTION WITH THE SALE OF THE HOLDING STOCK

Holding Sub Warrant

The Stock Purchase Agreement provides that the Warrant dated October 31, 2006 held by BNS to purchase up to 38,304 shares of common stock of Holding Sub will be cancelled if the sale of the Holding Stock to Buyer is consummated.

Tax Sharing Agreement

On October 31, 2006, BNS, Holding Sub, Collins and the direct and indirect subsidiaries of Collins entered into the Tax Sharing Agreement in order to establish a method for determining the amount of the tax payments to be made by Holding Sub, Collins and the direct and indirect subsidiaries of Collins (together, the "Collins Group") to BNS as a result of the Collins Group and BNS being treated as members of an affiliated group within the meaning of Section 1504(a) of the Code, of which BNS is the common parent corporation.

Pursuant to the terms and conditions of the Stock Purchase Agreement, the Tax Sharing Agreement will be terminated if the sale of the Holding Stock to Buyer is consummated.

Other Fees

BNS has agreed to pay to SP Corporate Services LLC, an affiliate of SP II and SPH, a fee in the amount of \$1 million in recognition of its assistance with the transaction if the sale of the Holding Stock is consummated.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of 5% Stockholder, Directors, Named Executive Officers and all Directors and Executive Officers as a Group

The following table sets forth, as of December 28, 2009, information with respect to the outstanding shares of BNS's Class A Common Stock, par value \$0.01 per share, beneficially owned by each person (including any "group" as that term is used in Section 13(d)(3) of the Exchange Act) known to BNS to be the beneficial owners of more than 5% of any class of BNS's voting securities, each director of BNS, the chief executive officer (who is also a director), the chief financial officer and all persons then serving as directors and officers of BNS as a group. Unless otherwise indicated, the address of each individual beneficial owner listed in the following table is c/o BNS Holding, Inc., 61 East Main Street, Suite B, Los Gatos, California 95031. Except as otherwise indicated, all shares are owned directly.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class (1)
Steel Partners Holdings L.P. 590 Madison Avenue, 32 nd Floor New York, New York 10022	1,537,464 ⁽²⁾	51.1%
Dimensional Fund Advisors LP Palisades West, Building One 6300 Bee Cave Road Austin, Texas 78746	161,348 ⁽³⁾	5.4%
Terrier Partners LP 145 East 57 th Street, 10 th Floor New York, New York 10022	159,064	5.3%
Kenneth Kermes	6,000	*
Ken Kong (4)	--	--
Terry Gibson (4)	--	--
James Henderson (4)	4,000	*
J. Robert Held	22,500	*
All directors and executive officers as a group (five persons) (5)	32,500	1.1%

*Less than 1%.

- (1) For purposes of this table, a person is deemed to have “beneficial ownership” of any shares as of a given date (i) which such person has the right to acquire within 60 days after such date, (ii) over which such person has voting power or (iii) over which such person has investment power, including disposition power. For purposes of computing the percentage of outstanding shares held by each person named above on a given date, any security which such person has the right to acquire within 60 days after such date is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.
- (2) Consists of 1,510,064 shares directly owned by SPH and 27,400 shares directly owned by SP II. SPH is the sole limited partner of SP II. Steel Partners LLC (“Steel Partners”) is the manager of SPH and SP II and has been delegated the sole power to vote and dispose of securities held by SPH and SP II. Warren G. Lichtenstein is the manager of Steel Partners. By virtue of these relationships, each of SPH, Steel Partners and Mr. Lichtenstein may be deemed to beneficially own the Shares owned directly by SP II and each of Steel Partners and Mr. Lichtenstein may be deemed to beneficially own the Shares owned directly by SPH.
- (3) Based upon information set forth in a Schedule 13G/A filed under the Exchange Act, dated December 31, 2007. Dimensional Fund Advisors LP (“Dimensional”), a registered investment advisor, has sole voting and dispositive control over and is deemed to have beneficial ownership of the reported shares, all of which shares are held in portfolios of various registered investment companies and trusts, and for all of which Dimensional serves as investment manager or advisor.
- (4) As representatives of SP II, Messrs. Gibson, Henderson and Kong may be deemed members of the SP II reporting group described in footnote 2 of this table. Mr. Henderson has sole voting and dispositive power over his 4,000 shares, which he owns directly.

- (5) Does not include shares held by SPH and SP II.

WHERE YOU CAN FIND MORE INFORMATION

If you would like an additional copy of this proxy statement or copies of our most recently reported period financial results, we will send you one without charge. Please either send your request in writing to BNS Holding, Inc., 61 East Main Street, Suite B, Los Gatos, California 95031, Attention: Corporate Secretary or email the Corporate Secretary at info@bnsholding.com. In addition, you may visit our web site at <http://www.bnsholding.com> to obtain this information.

All stockholders are urged to complete, sign and return the accompanying proxy card in the enclosed postage-paid envelope.

By Order of the Board of Directors,

/s/ Kenneth N. Kermes

President and Chairman of the Board
Los Gatos, California
January 27, 2010

ANNEX A

STOCK PURCHASE AGREEMENT

BY AND BETWEEN

BNS HOLDING, INC.

AND

VEHICLE ACQUISITION, INC.

Dated as of January 26, 2010

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**SCHEDULE
NUMBER**

SCHEDULE NAME

1.5	Permitted Liens
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3.6	Absence of Certain Changes
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EXHIBIT

EXHIBIT NAME

A-1 andA-2	Forms of Support Agreement
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STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this “**Agreement**”) is made and entered into as of January 26, 2010, by and between BNS Holding, Inc., a Delaware corporation (“**Seller**”), and Vehicle Acquisition, Inc., a Delaware corporation (“**Purchaser**”).

RECITALS

WHEREAS, Seller owns 26,400 shares of the issued and outstanding common stock, with a par value of \$0.001 per share, of the Company (the “**Stock**”);

WHEREAS, Purchaser desires to purchase the Stock from Seller, and Seller desires to sell the Stock to Purchaser, in each case upon the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, Purchaser has required, as a condition to its willingness to enter into this Agreement, that certain stockholders of Seller (the “**Supporting Stockholders**”) enter into Support Agreements, dated as of the date hereof and in the forms attached hereto as Exhibits A-1 and Exhibit A-2 (the “**Support Agreements**”), simultaneously herewith, pursuant to which, among other things, the Supporting Stockholders have agreed to vote all shares of Seller Stock they beneficially own to approve the transactions contemplated by this Agreement, and in order to induce Purchaser to enter into this Agreement, the board of directors of Seller has approved the execution and delivery of the Support Agreements by the Supporting Stockholders.

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

ARTICLE I. DEFINITIONS

Section 1.1. Definitions.

In addition to the terms defined elsewhere herein, the terms defined in the introductory paragraph and the preamble to this Agreement shall have the respective meanings specified therein, and the following terms shall have the meanings specified below when used herein with initial capital letters:

“**Acquisition Proposal**” means any proposal or offer from any Person or “group” (as such term is defined under the Exchange Act), other than Purchaser, contemplating, whether in one transaction or a series of related transactions, any (a) merger, consolidation or similar transaction involving the Company or Seller, (b) sale or other disposition, directly or indirectly, by merger, consolidation, share exchange or any similar transaction, of any assets of the Company or Seller representing ten percent (10%) or more of the assets of the Company or Seller, as the case may be, as calculated based on the Balance Sheet, (c) issuance, sale or other disposition by the Company or Seller (including by way of merger, consolidation, share exchange or any similar transaction) of securities (or options, rights or warrants to purchase, or securities convertible into, such securities) representing ten percent (10%) or more of the outstanding voting interests in the Company or Seller, as the case may be, (d) tender offer or exchange offer that if consummated would result in any

Person or “group” (as such term is defined under the Exchange Act) beneficially owning ten percent (10%) or more of the outstanding capital stock of the Company or Seller or (e) transaction which is similar in form, substance or purpose to any of the foregoing transactions; provided, however, that the term “Acquisition Proposal” shall not include the transactions contemplated by this Agreement.

“**Adverse Recommendation Change**” has the meaning set forth in Section 5.6(c).

“**Affiliate**” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For this purpose, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise.

“**Affiliated Group**” means any affiliated group within the meaning of Section 1504(a) of the Code or any similar group defined under a similar provision of state, local or foreign Law.

“**Agreement**” has the meaning set forth in the preamble, and shall include all Schedules and Exhibits hereto.

“**Allowed Liability Amount**” has the meaning set forth in Section 6.5.

“**Balance Sheet**” has the meaning set forth in Section 3.5(b).

“**Balance Sheet Date**” has the meaning set forth in Section 3.5(b).

“**Bankruptcy and Equity Exception**” has the meaning set forth in Section 3.2(a).

“**Business**” means the business and operations of the Company and its Subsidiaries, as conducted as of the date hereof, associated with the manufacturing and sale of ambulances, Class A school buses and terminal trucks.

“**Business Day**” means a day, other than a Saturday or a Sunday, on which commercial banks are not required or authorized to close in the City of New York.

“**Cap**” has the meaning set forth in Section 9.2(c)(iii).

“**Charter Documents**” has the meaning set forth in Section 3.1(b).

“**Closing**” has the meaning set forth in Section 8.1.

“**Closing Date**” has the meaning set forth in Section 8.1.

“**Closing Date Payment**” has the meaning set forth in Section 2.2(b).

“**Code**” means the Internal Revenue Code of 1986, as amended from time to time.

“**Company**” means Collins I Holding Corp., a Delaware corporation.

“**Contracts**” as of any date means, collectively, all contracts, agreements, commitments, instruments and guaranties to which the Company, any of the Company’s Subsidiaries or Seller (in the case of Seller, to the extent related to the Business) is a party as of such date, whether written or oral.

“**Cross Receipt**” means that certain Cross Receipt in a form mutually agreeable to the parties..

“**Damages**” means any losses, amounts paid in settlement, claims, damages, Liabilities, obligations, judgments, settlements, fines and reasonable out-of-pocket costs

and expenses (including reasonable attorneys' fees and costs of investigation expenses (but, with respect to costs of investigation expenses, only in instances where the underlying claim is determined to be indemnifiable under Article VI or Article IX) and excluding any incidental, liquidated, special, indirect, punitive or consequential damages or lost profits); provided, however, that the foregoing shall not preclude recovery by an Indemnitee with respect to any Damages paid to a third party.

“**DGCL**” means the General Corporation Law of the State of Delaware.

“**Employee Benefit Plan**” has the meaning set forth in Section 3(3) of ERISA.

“**Employee**” means each individual who is an employee of the Company or its Subsidiaries (including such persons who are on an approved leave of absence, vacation, short-term disability or otherwise treated as an active employee of Company).

“**Environmental Laws**” means all federal, state and local Laws relating to pollution, protection of the environment or Hazardous Substances.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**Exchange Act**” has the meaning set forth in Section 3.4.

“**Excluded Liabilities**” means any Liabilities related to Seller or any of its Subsidiaries (other than the Company or its Subsidiaries).

“**Fairness Opinion**” has the meaning set forth in Section 3.15.

“**Financial Statements**” has the meaning set forth in Section 3.5(b).

“**FIRPTA Certificate**” has the meaning set forth in Section 7.3(e).

“**GAAP**” means generally accepted accounting principles in effect in the United States of America at the time of application thereof, applied on a consistent basis.

“**Governmental Agency**” means (a) any federal, state, county, local, municipal or foreign government or administrative agency or political subdivision thereof, (b) any governmental agency, authority, board, bureau, commission, department or instrumentality, (c) any court or administrative tribunal, (d) any non-governmental agency, tribunal or entity that is vested by a governmental agency with applicable jurisdiction or (e) any arbitration tribunal or other non-governmental authority with applicable jurisdiction.

“**Hazardous Substances**” means any substance which is a “hazardous substance,” “hazardous waste,” “toxic substance,” “toxic waste,” “pollutant” or “contaminant” under any Environmental Law, including the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), and the Clean Air Act (42 U.S.C. § 7401 et seq).

“**Indebtedness**” means, without duplication, (a) the principal, accreted value, accrued and unpaid interest, prepayment and redemption premiums or penalties (including breakage costs and fees), if any, unpaid fees or expenses and other monetary obligations in respect of (i) any indebtedness of the Company for money borrowed and (ii) obligations evidenced by bonds, debentures, notes, obligations or, except for accrued liabilities arising in the Ordinary Course of Business, other similar instruments, including obligations incurred in connection with the acquisition of property, assets or businesses (other than trade payables which are not overdue or in default or which are set forth in the Financial Statements), (b) all obligations of the Company in respect of letters of credit or other similar instruments (including reimbursement obligations with respect thereto) but only to the extent of

drawings thereunder, (c) all obligations of the Company under interest rate or currency swap transaction (valued at the termination value thereof), (d) every obligation of the type referred to in clauses (a) through (c) of another Person the payment of which, in any case, the Company has contractually guaranteed or is contractually responsible or liable, directly or indirectly, as obligor, guarantor or otherwise and (e) every obligation of the type referred to in clauses (a) through (d) of another Person secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on any property or asset of such Person (whether or not such obligation is assumed by such Person).

“**Indemnification Claim**” has the meaning set forth in Section 9.3.

“**Indemnifying Party**” has the meaning set forth in Section 9.3.

“**Indemnitees**” has the meaning set forth in Section 9.2(b).

“**Intellectual Property**” means all intellectual property rights and related priority rights, whether protected, created or arising under the Laws of the United States or any other jurisdiction or under any international convention, including (a) all patents and applications therefor, including all continuations, divisionals, continuations-in-part, and provisionals and patents issuing thereon, and all reissues, reexaminations, substitutions, renewals and extensions thereof, (b) all trademarks, service marks, trade names, trade dress, logos, corporate names and other source or business identifiers, together with the goodwill associated with any of the foregoing, and all applications, registrations, renewals and extensions thereof, (c) all Internet domain names, (d) all copyrights, copyrightable works, works of authorship and moral rights, and all registrations, applications, renewals, extensions and reversions thereof, (e) trade secrets, including trade secret rights in any information, formula, pattern, compilation, program, device, method, technique, or process and (f) all other intellectual property or proprietary rights in Technology and other proprietary or confidential information, including customer lists, supplier lists, pricing and cost information, and business and marketing plans and proposals.

“**IRS**” means the Internal Revenue Service of the Department of the Treasury.

“**Knowledge**” or “**Known**” means with respect to the Seller, the actual knowledge of Kenneth Kermes, John Quicke, James Henderson, or Jack Howard.

“**Law**” means any foreign, federal, state or local law (including common law), statute, code, ordinance, rule, regulation, decree or Order of any Governmental Agency having applicable jurisdiction or other similar binding requirement of a Governmental Agency having applicable jurisdiction.

“**Legal Proceeding**” means any judicial, administrative or arbitral action, suit, proceeding (public or private), claim or complaint by or before a Governmental Agency having applicable jurisdiction.

“**Liability**” means any debt, loss, damage, adverse claim, fine, penalty, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, liquidated or unliquidated or due or to become due and whether in contract, tort, strict liability or otherwise), and including all costs and expenses relating thereto, including all reasonable fees, disbursements and expenses of legal counsel, experts, engineers and consultants.

“**Lien**” means any mortgage, charge, adverse right or claim, lien, lease, option, pledge, security interest, deed of trust, right of first refusal, easement, encumbrance, servitude, proxy, voting trust or restriction of any kind, including any restriction on use, voting, transfer, receipt of income, or exercise of any other attribute of ownership.

“**Material Adverse Effect**” means (a) an effect, event, development or change that is, individually or in the aggregate, materially adverse to the Business, results of operations or financial condition of the Company and its Subsidiaries, taken as a whole, or (b) a material adverse effect on the ability of the Company or Seller to consummate the transactions contemplated by this Agreement, except, in each case, for any such effect resulting from any of the following: (i) changes in conditions in the U.S. or global economy or capital or financial markets generally, including changes in interest or exchange rates, except to the extent such changes disproportionately affect the Company or its Subsidiaries relative to other Persons in the industry in which the Company and its Subsidiaries are engaged, (ii) changes after the date hereof in general legal, tax, regulatory, political or business conditions in the geographic regions in which the Company or its Subsidiaries operate, except to the extent such changes disproportionately affect the Company or its Subsidiaries relative to other Persons in the industry in which the Company and its Subsidiaries are engaged, (iii) changes after the date hereof in any applicable Law or in GAAP, (iv) the negotiation, execution, announcement or pendency of this Agreement or the transactions contemplated hereby, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, vendors or employees, (v) acts of war, armed hostilities, sabotage or terrorism, or any escalation or worsening of any such acts of war, armed hostilities, sabotage or terrorism threatened or underway as of the date of this Agreement, except to the extent such events disproportionately affect the Company or its Subsidiaries relative to other Persons in the industry in which the Company and its Subsidiaries are engaged, (vi) earthquakes, hurricanes, floods, or other natural disasters, except to the extent such events disproportionately affect the Company or its Subsidiaries relative to other Persons in the industry in which the Company and its Subsidiaries are engaged, (vii) any failure by the Company to meet any internal or external projections, forecasts or estimates of revenues or earnings, in and of itself, for any period ending on or after the date hereof; provided, however, that the exception in this clause (vii) shall not apply to the facts and circumstances underlying any such failure, (viii) any action by Purchaser or any of its Affiliates or the omission of an action that was required to be taken by Purchaser or any of its Affiliates, (ix) changes after the date hereof in the industry in which the Company operates, except to the extent such changes disproportionately affect the Company or its Subsidiaries relative to other Persons in the industry in which the Company and its Subsidiaries are engaged or (x) any action taken by Seller or its Affiliates at the request or with the consent of Purchaser.

“**Material Contracts**” means Contracts or other arrangements (together with all amendments, supplements and “side-letters” thereto and all waivers of any terms thereof) to which the Company or any Subsidiary is a party or by which any of their respective assets and properties is bound, including, without limitation:

(i) Contracts that would be required to be filed by Seller or the Company as an exhibit to a Registration Statement on Form S-1 under the Securities Act or an Annual Report on Form 10-K, a Quarterly Report on Form 10-Q or a Current Report on Form 8-K under the Exchange Act if such registration statement or report was filed by Seller or the Company with the SEC on the date hereof;

(ii) Contracts that purport to limit, curtail or restrict the ability of Seller, the Company or any of the Company's Subsidiaries or Affiliates to compete in any geographic area or line of business, restrict the Persons to whom Seller, the Company or any of the Company's Subsidiaries or Affiliates may sell products or deliver services, or restrict the Persons Seller, the Company or any of the Company's Subsidiaries or Affiliates may hire;

(iii) Contracts for partnerships or joint ventures;

(iv) Contracts for the acquisition, sale or lease of material properties or assets (by merger, purchase or sale of stock or assets or otherwise) pursuant to which the parties thereto have continuing obligations with respect to indemnification, any purchase price obligations or any severance or retention payments, or that grant to any Person any preferential rights to purchase any of its properties or assets (other than discount pricing offered to customers in the Ordinary Course of Business) or relating to the acquisition by Seller, the Company or any of the Company's Subsidiaries of any operating business or the capital stock of any other Person;

(v) Contracts with any (A) Governmental Agency outside of the Ordinary Course of Business or requiring payments in excess of one hundred thousand dollars (\$100,000) or (B) director or officer of the Company or any of its Subsidiaries or any Affiliate of the Company;

(vi) loan or credit agreements, indentures, notes or other Contracts or instruments evidencing Indebtedness or any Contract or instrument pursuant to which Indebtedness may be incurred or is guaranteed by the Company or any of its Subsidiaries;

(vii) Contracts (A) relating to the acquisition, use, transfer, development, sharing or license of Intellectual Property or Technology (including in-bound and out-bound intellectual property licenses), excluding licenses for Software available on reasonable terms through commercial distributors or in consumer retail stores for a license fee of no more than ten thousand dollars (\$10,000) or (B) containing a covenant not to sue with respect to, or a covenant limiting the Company's ability to use or exploit fully, any Intellectual Property or Technology;

(viii) Contracts involving payments in excess of one hundred thousand dollars (\$100,000);

(ix) financial derivatives master agreement or confirmation, or futures account opening agreements and/or brokerage statements, evidencing financial hedging or similar trading activities;

(x) voting agreements (except for the Support Agreements and the Stockholders Agreement) or registration rights agreements;

(xi) mortgages, pledges, security agreements, deeds of trust or other Contracts granting a Lien (except for Permitted Liens) on any property or assets of the Company or any of the Company's Subsidiaries;

(xii) any real property lease or lease related to any material tangible personal property of the Company or any of the Company's Subsidiaries involving payments by the Company in excess of one hundred thousand dollars (\$100,000) per annum;

(xiii) collective bargaining agreements or other Contracts with any labor union and employment Contracts (other than for employment at-will or similar

arrangements) that are not terminable by the Company or a Subsidiary of the Company without notice and without cost to the Company or a Subsidiary of the Company;

(xiv) any Contract for indemnification or guarantees by the Company or any of its Subsidiaries to any Person that was not entered into in the Ordinary Course of Business and is material to the Company and its Subsidiaries, taken as a whole (in each case, under which the Company or any of its Subsidiaries has continuing obligations as of the date hereof); and

(xv) any Contract (except, to the Knowledge of Seller, for dealer agreements) that (A) grants any Person other than the Company and its Affiliates any (1) exclusive license, supply or distribution rights or other exclusive rights, (2) “most favored nation” rights or (3) rights of first refusal, rights of first negotiation or similar rights with respect to any product, service or Company Intellectual Property or (B) contains any provision that requires the purchase of all or a given portion of the Company’s or any of its Subsidiaries’ requirements from a given third party.

“**Order**” means any decision, injunction, judgment, order, ruling or verdict entered, issued, made, or rendered by any court, administrative agency, Governmental Agency or by any arbitrator, in each case, having applicable jurisdiction.

“**Ordinary Course of Business**” means the ordinary and usual course of day-to-day operations of the Company, its Subsidiaries or Seller, as the case may be, which are consistent with its past practices.

“**Outside Date**” has the meaning set forth in Section 10.1(b).

“**Permits**” has the meaning set forth in Section 3.8.

“**Permitted Liens**” means (a) Liens for Taxes and other governmental charges and assessments that are (i) not yet due and payable or (ii) being contested by appropriate proceedings in good faith, in the case of clause (ii), for which an appropriate reserve has been established on the Financial Statements in accordance with GAAP, (b) Liens of landlords, lessors, carriers, warehousemen, employees, mechanics and materialmen and other similar Liens arising in the Ordinary Course of Business that are not material to the Company and, in each case, securing obligations not more than sixty (60) days past due, (c) other Liens or imperfections of title that are not material or on real or personal property, (d) Liens that secure obligations specifically reflected as Liabilities in the Financial Statements (or the existence of which is specifically referred to in the notes accompanying the Financial Statements), (e) Liens created by this Agreement or any of the other Transaction Documents, or in connection with the transactions contemplated hereby or thereby, or by the actions of Purchaser and (f) Liens set forth on Schedule 1.5.

“**Person**” means any individual, partnership, corporation, trust, association, limited liability company or Governmental Agency or any other entity.

“**Plan**” shall mean all Employee Benefit Plans, sample bonus, incentive, deferred compensation and individual employment agreements, consulting agreements that are deemed to be Material Contracts and retiree medical or life insurance, supplemental retirement, severance or other benefit plans, programs or arrangements, that are maintained, contributed to or sponsored by the Company or any of its Affiliates for the benefit of any current or former employee of the Business for which there is any existing or prospective liability.

“Post-Closing Tax Year” means any taxable period beginning the day following the Closing Date and the portion beginning the day following the Closing Date for any Straddle Period.

“Pre-Closing Tax Year” means any taxable period ending on or before the Closing Date and the portion through the end of the Closing Date.

“Policies” shall mean all insurance policies maintained by the Company or any of its Subsidiaries, or by Seller for the benefit of the Company or any of its Subsidiaries.

“Proxy Statement” has the meaning set forth in Section 5.5(a).

“Purchase Price” has the meaning set forth in Section 2.2(a).

“Purchaser” has the meaning set forth in the preamble hereto.

“Purchaser Expenses” has the meaning set forth in Section 10.3(c).

“Purchaser Indemnitees” has the meaning set forth in Section 9.2(a).

“Purchaser Material Adverse Effect” has the meaning set forth in Section 4.2(b).

“Purchaser Termination Fee” has the meaning set forth in Section 10.3(f).

“Representatives” means, with respect to any Person, the directors, officers, employees, investment bankers, financial advisors, attorneys, accountants, agents and other representatives of such Person.

“Schedules” means, collectively, the various disclosure schedules referred to in this Agreement delivered separately on the date of this Agreement.

“SEC” means the U.S. Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended.

“Seller” has the meaning set forth in the preamble hereto.

“Seller Board Recommendation” has the meaning set forth in Section 3.2(b).

“Seller Indemnitees” has the meaning set forth in Section 9.2(b).

“Seller’s Advisor” has the meaning set forth in Section 3.15.

“Seller Stock” has the meaning set forth in Section 3.2(a).

“Seller Stockholder Approval” has the meaning set forth in Section 3.2(a).

“Seller Stockholders’ Meeting” has the meaning set forth in Section 5.5(d).

“Software” means (a) any and all computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code and (b) any and all available documentation, including user manuals and other training documentation, related to any of the foregoing.

“Stock” has the meaning set forth in the Recitals hereto.

“Stockholders Agreement” means that certain Stockholders Agreement dated as of October 31, 2006, by and among the Company, Collins Industries, Inc., the Seller, AIP/CHC Holdings, LLC, the parties to the Stockholders Agreement who are identified as “Employees” in joinders to the Stockholders Agreement and each other stockholder of the Company’s securities who separately agrees to be bound by the terms of the Stockholders Agreement.

“**Subsidiary**” means, when used with respect to any party, any Person the accounts of which would be consolidated with those of such party in such party’s consolidated financial statements if such financial statements were prepared in accordance with GAAP, as well as any other Person of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power (or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests) are, as of such date, owned by such party or one or more Subsidiaries of such party.

“**Superior Proposal**” means a bona fide, written Acquisition Proposal (on its most recently amended and modified terms, if amended and modified) made by a third party which the board of directors of Seller determines in good faith (after consultation with its financial and legal advisors) to be more favorable to the stockholders of Seller from a financial point of view than the purchase and sale of the Stock contemplated by this Agreement, taking into account at the time of determination any binding, written offer by Purchaser to amend the terms and conditions of this Agreement, the ability of the Person making such Acquisition Proposal to consummate the transactions contemplated by such Acquisition Proposal and all legal, financial (including any financing contingency and commitment letters related thereto) and regulatory aspects of such Acquisition Proposal; provided, however, for purposes of this definition of “Superior Proposal,” the term Acquisition Proposal shall have the meaning assigned to such term herein, except that the references to “ten percent (10%)” in such definition shall be deemed to be references to “fifty percent (50%).”

“**Support Agreements**” has the meaning set forth in the Recitals hereto.

“**Supporting Stockholders**” has the meaning set forth in the Recitals hereto.

“**Survival Period**” has the meaning set forth in Section 9.1.

“**Tax**” or “**Taxes**” means (a) any and all federal, state, local, foreign and other taxes, levies, fees, imposts, duties and charges of whatever kind (including any interest, penalties or additions to the tax imposed in connection therewith or with respect thereto), whether or not imposed on the Company, including taxes imposed on, or measured by, income, franchise, profits or gross receipts, and also *ad valorem*, value added, sales, use, service, real or personal property, capital stock, license, payroll, withholding, employment, social security, workers’ compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premium, windfall profits, transfer and gains taxes, escheat and customs duties and (b) any Liability in respect of any items described in clause (a) payable by reason of transferee Liability, operation of Law or Treasury Regulation Section 1.1502-6 (or any similar provision under state, local, or foreign Law).

“**Tax Attributes**” means those items identified in Section 381(c) of the Internal Revenue Code, including but not limited to, net operating loss carryovers, earnings and profits, capital loss carryovers and methods of accounting.

“**Tax Claim**” has the meaning set forth in Section 6.3(a).

“**Tax Returns**” means returns, reports, information statements and other documentation (including any additional or supporting material) filed or maintained, or required to be filed or maintained, in connection with the calculation, determination, assessment, claim for refund or collection of any Tax and shall include any amended returns required as a result of examination adjustments made by the IRS or other Tax authority, and

including, where permitted or required, combined, consolidated or unitary returns for any group of entities that include or included the Company.

“**Tax Sharing Agreement**” means that certain Tax Sharing Agreement dated as of October 31, 2006, between the Seller, the Company and the direct and indirect Subsidiaries of the Company.

“**Technology**” means all Software, information, designs, formulae, patterns, algorithms, procedures, methods, techniques, ideas, know-how, discoveries, concepts, research and development, technical data, compilations, compositions, programs, subroutines, tools, databases, materials, specifications, processes, inventions (whether patentable or unpatentable and whether or not reduced to practice), devices, apparatus, creations, improvements, works of authorship and other similar materials, and all recordings, graphs, drawings, reports, analyses and other writings, and other tangible embodiments of the foregoing, in any form whether or not specifically listed herein, and all related technology, documentation and other materials used in, incorporated in, embodied in or displayed by any of the foregoing, or used or useful in the design, development, reproduction, maintenance or modification of any of the foregoing.

“**Termination Date**” has the meaning set forth in Section 10.1.

“**Termination Fee**” has the meaning set forth in Section 10.3(b).

“**Threshold**” has the meaning set forth in Section 9.2(c)(i).

“**Transaction Documents**” means this Agreement, the Cross Receipt and the Support Agreements.

ARTICLE II. SALE AND PURCHASE

Section 2.1. Agreement to Sell and to Purchase.

On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchaser shall purchase from Seller, and Seller shall sell, transfer, assign, convey and deliver to Purchaser, the Stock and certificates representing the Stock, duly endorsed in blank for transfer or accompanied by appropriate stock powers duly executed in blank.

Section 2.2. Purchase Price.

(a) The aggregate purchase price (the “**Purchase Price**”) for the Stock shall be sixty-four million nine-hundred eighteen thousand dollars (\$64,918,000) in cash.

(b) At the Closing, Purchaser shall deliver to Seller, by wire transfer of immediately available funds to an account designated in writing by Seller, the Purchase Price (the “**Closing Date Payment**”).

ARTICLE III. REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth on the applicable Schedule delivered by Seller to Purchaser prior to or concurrently with the execution and delivery of this Agreement, Seller hereby represents and warrants to Purchaser as follows:

Section 3.1. Organization; Standing; Corporate Power; Capitalization.

(a) Each of Seller, the Company and the Company's Subsidiaries is duly organized, validly existing and in good standing under the Laws of the jurisdiction in which it is incorporated or organized, as applicable, and has all requisite power and authority necessary to own or lease all of its properties and assets and to carry on the Business as it is now being conducted. Each of Seller, the Company and the Company's Subsidiaries is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the nature of the Business or the character or location of the properties and assets owned or leased by it in connection with the Business makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(b) Seller has made available to Purchaser complete and correct copies of the certificate of incorporation and bylaws of Seller and the Company, and complete and correct copies of the certificates of incorporation and bylaws (or comparable organizational documents) of each of the Company's Subsidiaries, in each case, as amended to the date of this Agreement (collectively, the "**Charter Documents**"). All such Charter Documents are in full force and effect and neither Seller, the Company nor any of the Company's Subsidiaries is in violation of any of their respective provisions in any material respect. Seller has made available to Purchaser correct and complete copies of the minutes of all meetings of stockholders, the board of directors and each committee of the board of directors of the Company and each of its Subsidiaries since October 31, 2006.

(c) The authorized capital stock of the Seller consists of five million (5,000,000) shares of Class A common stock, par value \$.01 per share, and one million (1,000,000) shares of preferred stock, par value \$1.00 per share, of which three million eleven thousand three hundred thirty-three (3,011,333) shares of Class Common Stock are currently issued and outstanding.

Section 3.2. Corporate Authorization; Noncontravention.

(a) Subject to obtaining the approval of the holders of at least the number of outstanding shares of voting stock of Seller (the "**Seller Stock**") required by the DGCL to approve the transactions contemplated hereby (the "**Seller Stockholder Approval**"), Seller has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby. The board of directors of Seller has authorized and approved the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, and except for obtaining the Seller Stockholder Approval, no other corporate action on the part of Seller is necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Seller and, assuming due authorization, execution and delivery hereof by Purchaser, constitutes a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except that such enforceability (i) may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws of general application affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity, whether considered in a proceeding at Law or in equity (collectively, the "**Bankruptcy and Equity Exception**").

(b) The board of directors of Seller, at a meeting duly called and held, has unanimously approved and declared advisable this Agreement and the transactions

contemplated hereby, and the board of directors of Seller resolved to recommend that the stockholders of Seller approve this Agreement and the transactions contemplated hereby (the “**Seller Board Recommendation**”).

(c) Neither the execution and delivery of this Agreement by Seller nor the consummation by Seller of the transactions contemplated hereby, nor compliance by Seller with any of the terms or provisions hereof, will (i) conflict with or violate any provision of the Charter Documents or (ii) assuming that the Seller Stockholder Approval and the authorizations, consents and approvals referred to in Section 3.4 are obtained and the filings referred to in Section 3.4 are made, (A) violate any Law or Order applicable to Seller, the Company or any of the Company’s Subsidiaries or any of their respective properties or assets in any material respect, or (B) except as set forth on Schedule 3.2(c), violate, conflict with, result in the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien (except for Permitted Liens) upon any of the respective properties or assets of, Seller, the Company or any of the Company’s Subsidiaries under any Contract or Permit, to which Seller, the Company or any of the Company’s Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound or affected except, in the case of clause (B), for such violations, conflicts, losses, defaults, terminations, cancellations, accelerations or Liens as, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 3.3. Capitalization; Title to the Stock.

(a) The authorized capital stock of the Company consists of one-hundred thousand (100,000) shares of common stock, par value \$.001 per share, of which thirty-three thousand (33,000) shares are outstanding. All outstanding shares of common stock of the Company have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, and have been issued in compliance in all material respects with the Securities Act and all applicable state securities Laws or pursuant to an applicable exemption therefrom. The thirty-three thousand (33,000) outstanding shares of common stock of the Company are the sole issued and outstanding shares of capital stock of the Company, and except for this Agreement, the Stockholders Agreement and as otherwise described on Schedule 3.3(a), there are no outstanding subscriptions, options, warrants, calls, convertible or exchangeable securities, rights, commitments or agreements of any character providing for the issuance or disposition of the Stock or any unissued or treasury shares of capital stock of the Company.

(b) Seller is the record and beneficial owner of the Stock, free and clear of any and all Liens, except as set forth on Schedule 3.3(b). Subject to obtaining the Seller Stockholder Approval, Seller has the corporate power and authority to sell, transfer, assign and deliver the Stock as provided in this Agreement, and such delivery will convey to Purchaser good and marketable title to the Stock, free and clear of all Liens.

(c) Schedule 3.3(c) lists all Subsidiaries of the Company as of the date of this Agreement, together with the jurisdiction of organization of each such Subsidiary. Except as set forth on Schedule 3.3(c), all outstanding shares of capital stock of, or other equity interests in, each Subsidiary of the Company (i) have been duly authorized and validly issued, (ii) are fully paid and nonassessable, (iii) are owned, directly or indirectly, by the Company free and clear of all Liens (except Permitted Liens) and (iv) have been issued in

compliance in all material respects with the Securities Act, if applicable, and all applicable securities Laws or pursuant to an applicable exemption therefrom. Except as set forth on Schedule 3.3(c), the Company does not own, directly or indirectly, any capital stock, voting securities or equity interests in any Person, other than its Subsidiaries.

(d) Except for the Stock and a Warrant to purchase up to 38,034 shares of common stock of the Company, none of the Company or any of its Subsidiaries has issued to Seller or is bound by the issuance to Seller of any outstanding subscriptions, options, warrants, calls, convertible or exchangeable securities, rights, commitments or agreements of any character providing for the issuance or disposition of any shares of capital stock, voting securities or equity interests of any Subsidiary of the Company. Except as set forth on Schedule 3.3(d), there are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock, voting securities or equity interests (or any options, warrants or other rights to acquire any shares of capital stock, voting securities or equity interests) of the Company or any of its Subsidiaries.

Section 3.4. Governmental Approvals.

Except for filings, if any, required under, and compliance with other applicable requirements of, the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules of The Nasdaq Stock Market and Pink Sheets Electronic OTC Markets, and assuming the truth and accuracy of Purchaser’s representations and warranties in Section 4.3, no consents or approvals of, or filings, declarations or registrations with, any Governmental Agency are required by Seller for the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby other than such other consents, approvals, filings, declarations or registrations that, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 3.5. SEC Reports; Financial Statements; No Undisclosed Liabilities.

(a) Neither Seller, the Company nor any of their Subsidiaries is required to file periodic reports with the SEC pursuant to the Exchange Act. To the Knowledge of Seller, neither Seller, the Company nor any of their Subsidiaries nor any of their directors or officers is the subject of any inquiry, investigation or enforcement action by the SEC or any other Governmental Agency, whether formal or informal, and, to the Knowledge of Seller, no circumstances exist which may give rise thereto.

(b) The Seller has provided to the Purchaser the unaudited balance sheet of the Company (the “**Balance Sheet**”) as of October 31, 2009 (the “**Balance Sheet Date**”) and the related statement of income for the fiscal year then ended (collectively, the “**Financial Statements**”). To the Knowledge of Seller, such Financial Statements (i) were prepared in accordance with GAAP (without giving effect to any footnote disclosure required under GAAP), (ii) present fairly, in all material respects, the financial condition and the results of operations of the Company as of the dates and for the period indicated thereon, and (iii) are complete, correct and in accordance with the books of account and records of the Company in all material respects.

(c) To the Knowledge of Seller, neither the Company nor any of its Subsidiaries has any Liabilities of any nature required to be reflected or reserved against on a balance sheet of the Company prepared in accordance with GAAP, other than Liabilities (i) as and to the

extent reflected or reserved against on the Balance Sheet, (ii) incurred after the Balance Sheet Date in the Ordinary Course of Business that are individually in an amount less than two hundred and fifty thousand dollars (\$250,000) or (iii) as set forth on Schedule 3.5(c).

Section 3.6. Absence of Certain Changes.

To the Knowledge of Seller, between the Balance Sheet Date and the date of this Agreement, there have not been any events, changes, occurrences or state of facts that, individually or in the aggregate, have had or would reasonably be expected to have a Material Adverse Effect. To the Knowledge of Seller, between the Balance Sheet Date and the date of this Agreement, except for the negotiation and execution of this Agreement and the taking of any actions in connection herewith or as set forth on Schedule 3.6, (a) the Company, the Company's Subsidiaries and Seller have carried on and operated their respective businesses (in the case of Seller, to the extent primarily related to the Business) in all respects in the Ordinary Course of Business and (b) neither the Company nor any of its Subsidiaries has taken any action described in Section 5.2 that, if taken after the date hereof and prior to the Closing, without the prior written consent of Purchaser, would violate such provision.

Section 3.7. Litigation.

Except as set forth on Schedule 3.7, there are no Legal Proceedings pending or, to the Knowledge of Seller, threatened against the Company or any of its Subsidiaries (or, to the Knowledge of Seller, pending or threatened against any of the officers, directors or employees of the Company or any of its Subsidiaries), or to which the Company or any of its Subsidiaries is otherwise a party before any Governmental Agency. Except as set forth on Schedule 3.7, as of the date of this Agreement, neither the Company nor any of its Subsidiaries is subject to any settlement or compromise of a Legal Proceeding that is material to the Company and its Subsidiaries, taken as a whole. Except as set forth on Schedule 3.7, as of the date of this Agreement, to the Knowledge of Seller neither the Company nor any of its Subsidiaries is subject to any Order (other than Orders of general applicability) applicable to it. Except as set forth on Schedule 3.7, as of the date of this Agreement, neither the Company nor any of its Subsidiaries is engaged in any Legal Proceeding to recover a material amount of money due it or for material damages sustained by it.

Section 3.8. Compliance with Laws; Permits.

Seller, and to the Knowledge of Seller, the Company and the Company's Subsidiaries are in compliance in all material respects with all Laws applicable to the Company or any of its Subsidiaries, any properties or other assets of the Company or any of its Subsidiaries or any of the businesses or operations of the Company or any of its Subsidiaries. Except as set forth on Schedule 3.8, to the Knowledge of Seller the Company and each of its Subsidiaries (a) hold all material permits, licenses and approvals ("**Permits**") and (b) are (and since October 31, 2006 have been) in compliance in all material respects with the terms of all such Permits. Except as set forth on Schedule 3.8, since October 31, 2006, neither Seller, and to the Knowledge of Seller, the Company nor any of the Company's Subsidiaries has received written notice to the effect that a Governmental Agency (a) claimed or alleged that the Company or any of its Subsidiaries was not in compliance in any material respect with any Laws applicable to the Company or any of its Subsidiaries, any of their properties or other assets or any of their businesses or operations or (b) was considering the amendment, termination, revocation or cancellation of any material Permit, in each case, except where any such notice has been withdrawn or the matters underlying such notice have been rectified or otherwise cured without any continuing obligations or

Liabilities with respect to Seller, the Company or any of the Company's Subsidiaries. Since October 31, 2006, to the Knowledge of Seller, no officer, director or employee of the Company or any of its Subsidiaries has received written notice to the effect that a Governmental Agency claimed or alleged that such officer, director or employee was not in compliance in any material respect with any Laws applicable to such officer, director or employee, in such capacity, except where any such notice has been withdrawn or the matters underlying such notice have been rectified or otherwise cured without any continuing obligations or Liabilities with respect to the Company or any of its Subsidiaries.

Section 3.9. Employees; Labor Matters.

(a) Schedule 3.9(a)(i) sets forth a list of all Plans. Neither the Company nor any ERISA Affiliate contributes or to the Knowledge of Seller, has ever been obligated to contribute to any Plan subject to Title IV of ERISA or which is a "multiemployer plan" as defined in Section 3(37) of ERISA. To the Knowledge of Seller, no event has occurred and no condition exists that could reasonably be expected to subject the Company or any of its Subsidiaries by reason of its affiliation with any ERISA Affiliate to any material Liability imposed by ERISA, the Code or other applicable Law.

(b) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and to the Knowledge of Seller, (i) there is no unfair labor practice charge or complaint pending against the Company with respect to any current or former employee of the Business, (ii) there is no labor strike, slowdown, work stoppage, lockout or labor dispute pending threatened against or affecting the Company, (iii) there are no charges with respect to or relating to the Company with respect to any current or former employee of the Business pending before any Governmental Agency responsible for the prevention of unlawful employment practices and (iv) the Company is, and at all times has been in compliance with, all applicable Laws relating to employment of labor, including all applicable Laws relating to wages, hours, collective bargaining, employment discrimination, civil rights, safety and health, workers' compensation, pay equity, classification of employees and the collection and payment of withholding and/or social security Taxes. With respect to the Company and its Subsidiaries, and to the Knowledge of Seller there has been no "mass layoff" or "plant closing," as defined by the Worker Adjustment and Retraining Notification Act, or any similar state or local law within the six (6) months prior to the date hereof. Except as set forth on Schedule 3.9(b), and to the Knowledge of Seller none of the current or former employees of the Business is or has been represented in his or her capacity as an employee of Seller, the Company or any of the Company's Subsidiaries by any labor organization, the Company is not a party to any collective bargaining agreement or contract with respect to such employees, and there is no, and there has not been, to the Knowledge of Seller any pending or, to the Knowledge of Seller, threatened union organization activity involving any such employees.

(c) To the Knowledge of Seller, the Plans intended to qualify under Section 401 of the Code are so qualified and the trusts maintained pursuant thereto are exempt from federal income taxation under Section 501 of the Code, and nothing has occurred with respect to the operations of such Plans which would be reasonably expected to cause the loss of such qualification or exemption or the imposition of any liability, penalty or tax under ERISA or the Code.

(d) Except as set forth on Schedule 3.9(d) and to the Knowledge of Seller, neither the execution and delivery of this Agreement nor the consummation of the transactions

contemplated hereunder will (i) result in any payment becoming due to any current or former employee, officer or director, (ii) increase any benefits otherwise payable under any Plan or (iii) result in the acceleration of the time of payment, vesting or funding of any such benefits under any such Plan, in each case, for which the Company or any of its Subsidiaries shall have any Liability. To the Knowledge of Seller, neither the Company nor Seller is party to any contract that would result, separately or in the aggregate, in the payment of any “excess parachute payments” within the meaning of Section 280G of the Code, and the consummation of the transactions contemplated by this Agreement will not be a factor causing payments to be made by the Company or Seller to be non-deductible by reason of the application of Section 280G of the Code.

Section 3.10. Environmental Matters.

Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) there is no investigation, suit, claim, action or proceeding relating to or arising under any Environmental Law that is pending or, to the Knowledge of Seller, threatened against or affecting the Company or any of its Subsidiaries or any real property currently or, to the Knowledge of Seller, formerly owned, operated or leased by the Company, any of the Company’s Subsidiaries or Seller (in the case of Seller, only such real property primarily related to the Business), except where any such investigation, suit, claim, action or proceeding has been terminated or withdrawn or the matters underlying such investigation, suit, claim, action or proceeding have been rectified or otherwise cured without any continuing obligations or Liabilities with respect to the Company or any of its Subsidiaries, (b) since October 31, 2006, none of the Company, any of the Company’s Subsidiaries or Seller (in the case of Seller, with respect to the Business) has received any written notice of or entered into or assumed by Contract or operation of Law or otherwise, any obligation, Liability, Order, settlement, judgment, injunction or decree relating to or arising under Environmental Laws, except where any such notice was previously withdrawn or the matters underlying such notice were rectified or otherwise cured without any continuing obligations or Liabilities with respect to the Company, any of the Company’s Subsidiaries or Seller, and (c) no facts, circumstances or conditions exist with respect to the Company or any of its Subsidiaries or any property currently (or, to the Knowledge of Seller, formerly) owned, operated or leased by the Company, any of the Company’s Subsidiaries or Seller (in the case of Seller, primarily related to the Business) or any property to or at which the Company, any of the Company’s Subsidiaries or Seller (in the case of Seller, primarily related to the Business) transported or arranged for the disposal or treatment of Hazardous Substances that would reasonably be expected to result in the Company and its Subsidiaries incurring any Liabilities under any Environmental Law or otherwise.

Section 3.11. Tax.

Except as set forth in Schedule 3.11:

(a) each of Seller, the Company and its Subsidiaries has timely filed or joined in the filing of (taking into account extensions) all income and, to the Knowledge of Seller, all other Tax Returns required by applicable Laws to have been filed with respect to Seller, the Company and its Subsidiaries and has timely paid in full (or had paid in full on its behalf) all income Taxes and, to the Knowledge of the Seller, all other Taxes, shown as due with respect to such Tax Returns and, all other income, and, to the Knowledge of the Seller, all other material Taxes otherwise required to be paid by Seller, the Company or any of its Subsidiaries, and with respect to any period for which Tax Returns have not yet been filed or for which Taxes of the Seller, the Company or its Subsidiaries are not yet due or payable,

adequate accruals for such Taxes on the Financial Statements as required by GAAP have been made with respect to income Taxes and, to the Knowledge of Seller, all other taxes, and all such Tax Returns with respect to income Taxes, and to the Knowledge of Seller, all other Tax Returns required to be filed by Seller, the Company or any of its Subsidiaries are correct and complete in all material respects;

(b) there are no Liens for Taxes against any of the assets of the Company or any of its Subsidiaries, other than Permitted Liens, relating to income Taxes and, to the Knowledge of Seller, with respect to all other Taxes;

(c) no agreement extending the period for assessment or collection of any income and, to the Knowledge of Seller, other material Taxes of Seller, the Company or any of its Subsidiaries has been executed or filed with any Tax authority, and the Tax Returns of the Company and each of its Subsidiaries relating to income Taxes, and, to the Knowledge of Seller, all other Taxes, have been examined by and settled with the IRS or relevant Tax authority or Governmental Agency (or the applicable statute of limitations has expired) for all years through December 31, 2004, and all assessments for income and, to the Knowledge of Seller, all other material Taxes due with respect to such completed and settled examinations or any concluded litigation have been fully paid;

(d) with respect to income Taxes since October 31, 2006, and to the Knowledge of Seller for any taxable period prior to October 31, 2006, and to the Knowledge of Seller for all other Taxes, no written claim has been received from any Tax authority in a jurisdiction where Seller, the Company or any of its Subsidiaries does not file Tax Returns asserting that Seller, the Company or any of its Subsidiaries is or may be subject to taxation in any such jurisdiction;

(e) To the Knowledge of Seller, Seller, the Company and each of its Subsidiaries has withheld and paid all income and other material Taxes required to be withheld in connection with any amounts paid or owing to any employee, creditor, independent contractor or other third party, and Seller, the Company and its Subsidiaries are in compliance in all material respects with all applicable legal requirements in connection therewith;

(f) no deficiency with respect to income and, to the Knowledge of Seller, all other material Taxes has been proposed, asserted or assessed against Seller, the Company or any of its Subsidiaries;

(g) neither the Company nor any of its Subsidiaries has constituted either a “distributing corporation” or a “controlled corporation” (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock qualifying for tax-free treatment under Section 355 of the Code (i) in the two (2) years prior to the date of this Agreement or (ii) in a distribution which could otherwise constitute part of a “plan” or a “series of related transactions” (within the meaning of Section 355(e) of the Code) in conjunction with the transactions contemplated by this Agreement;

(h) no audit or other administrative or court proceedings are pending with any Governmental Agency or Tax authority with respect to income Taxes, and to the Knowledge of Seller, all other Taxes of Seller, the Company or any of its Subsidiaries and no written notice thereof has been received by Seller, the Company or any of its Subsidiaries except where any such notice was previously withdrawn or the matters underlying such notice were resolved and, to the Knowledge of Seller, none is threatened, and no issue relating to income Taxes, and to the Knowledge of Seller, all other Taxes, has

been raised by any Governmental Agency or Tax authority in any currently pending Tax audit that could be material and adverse to the Company or any of its Subsidiaries for any period after the Closing Date;

(i) to the Knowledge of Seller, Seller has made available to Purchaser correct and complete copies of (i) all income and franchise Tax Returns of, or relating to, Seller, the Company and its Subsidiaries for the preceding three (3) taxable years and (ii) any audit report issued within the last three (3) years (or otherwise with respect to any audit or proceeding in progress) relating to income and franchise Taxes of Seller, the Company or any of its Subsidiaries;

(j) to the Knowledge of Seller, neither the Company nor any of its Subsidiaries is or has been a “United States real property holding corporation” within the meaning of Section 897 of the Code during the five (5) year period ending on the Closing Date;

(k) neither the Company nor any of its Subsidiaries is a party to any agreement or arrangement relating to the apportionment, sharing, assignment or allocation of any Tax or Tax asset (other than a Contract among members of a group the common parent of which is Seller);

(l) neither the Company nor any of its Subsidiaries (i) has been a member of an Affiliated Group other than such group of which Seller is the common parent or (ii) has any liability for income and other material Taxes of any Person other than the Company or any of its Subsidiaries;

(m) neither Seller, the Company nor any of its Subsidiaries has executed or entered into any written agreement with, or obtained or applied for any written consents, written waivers or written clearances or any other Tax rulings from, nor has there been any written agreement executed or entered into on behalf of any of them with any Governmental Agency, relating to income and, to the Knowledge of Seller, all other material Taxes, including any IRS private letter rulings or comparable rulings of any Governmental Agency and closing agreements pursuant to Section 7121 of the Code or any predecessor provision thereof or any similar provision of any law;

(n) to the Knowledge of Seller, neither the Company nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) beginning after the Closing Date as a result of any (i) change in method of accounting for a taxable period ending on or prior to the Closing Date, (ii) intercompany transactions or any excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign Tax law), (iii) installment sale or open transaction disposition occurring on or prior to the Closing Date or (iv) prepaid amount received on or prior to the Closing Date;

(o) to the Knowledge of Seller, neither the Company nor any of its Subsidiaries has been a party to any “reportable transaction” within the meaning of Treasury Regulation 1.6011-4(b)(1), nor will the transaction contemplated by this Agreement constitute such a reportable transaction;

(p) there is no contract covering any person that, individually or collectively, could give rise to the payment of any amount that would not be deductible by the Company or any of its Subsidiaries or Purchaser (or Affiliates of Purchaser) by reason of Section 280G of the Code or any analogous provision of state, local or foreign Law;

(q) each of the Company's Subsidiaries which is a foreign corporation for U.S. federal income Tax purposes has been a controlled foreign corporation (within the meaning Section 957 of the Code) at all times during the holding period (for United States federal income Tax purposes) of Collins Industries, Inc. and the Company, as applicable, and the Company has been a United States shareholder (within the meaning of section 951(b) of the Code) with respect to each of those Subsidiaries during the applicable holding periods referred to herein;

(r) to the Knowledge of Seller, the Company and each of its Subsidiaries has maintained, in all material respects, with respect to transfer pricing, proper intercompany agreements and/or concurrent and supporting documentation as required under all applicable Tax Laws, such that no transfer pricing amounts will be denied as deductions in any jurisdiction by reason of a lack of proper agreements or supporting documentation; and

(s) for purposes of this Section 3.11, any reference to the Company or any Subsidiary shall be deemed to include any Person which merged or was liquidated into such entity.

Section 3.12. Insurance.

(a) Except as set forth on Schedule 3.12 and to the Knowledge of Seller, since October 31, 2006, neither the Company nor any of its Subsidiaries has made, individually, any claims under the Company's Policies related to any damage, destruction or loss in excess of one hundred thousand dollars (\$100,000).

(b) The Policies (a) have been issued by insurers which, to the Knowledge of Seller, are reputable and financially sound, (b) are legal, valid, binding, enforceable, and in full force and effect, and (c) will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of the transactions contemplated hereby. Neither the Company nor any of its Subsidiaries nor any other party to the Policy is in breach or default (including with respect to the payment of premiums or the giving of notices), and neither the Company nor any of its Subsidiaries have taken any action or failed to take any action which, with notice or the lapse of time or both, would constitute such a breach or default, or permit termination, modification, or acceleration of any of the Policies. No notice of cancellation or termination has been received by the Seller, or the Knowledge of Seller, the Company or, any of the Company's Subsidiaries with respect to any of the Policies. No party to the Policies has repudiated any provision thereof. The Policy limits have not been exhausted or significantly diminished and no further premiums or payments will be due after the Closing with respect to periods prior to the Closing.

Section 3.13. Interested Party Transactions.

Except for the Stockholders Agreement, this Agreement or any of the transactions or agreements contemplated hereunder or as set forth on Schedule 3.13, neither Seller nor any of its Subsidiaries (other than Subsidiaries of the Company) is a party to any transaction or agreement (other than ordinary course directors' compensation arrangements or any Company Stock Plan) with the Company, any of the Company's Subsidiaries or any of their respective Affiliates, directors or executive officers (but, with respect to directors or executive officers, only to the extent related to the Business).

Section 3.14. Foreign Corrupt Practices Act; Certain Business Practices.

Neither the Company nor any of its Subsidiaries nor, to the Knowledge of Seller, any director, officer, agent, employee or other Person acting on behalf of the Company or any of its

Subsidiaries, has, in any material respect, (a) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, (b) used any corporate or other funds for unlawful contributions, payments, gifts, or entertainment, or made any unlawful expenditures relating to political activity to foreign or domestic government officials, employees or others or established or maintained any unlawful or unrecorded funds in violation of Section 30A of the Exchange Act, (c) accepted or received any unlawful contributions, payments, gifts or expenditures or (d) made, offered or authorized any unlawful bribe, rebate, payoff, influence payment, kickback or other similar unlawful payment.

Section 3.15. Opinion.

The board of directors of Seller has received the opinion of Ladenburg Thalmann & Co. Inc. (“**Seller’s Advisor**”) to the effect that, as of the date set forth therein, and subject to the various assumptions, qualifications and limitations set forth therein, the Purchase Price to be received by Seller pursuant to this Agreement is fair from a financial point of view to Seller (the “**Fairness Opinion**”).

Section 3.16. Brokers and Other Advisors.

Except for Seller’s Advisor, the fees and expenses of which will be paid by Seller, no broker, investment banker, financial advisor or other Person is entitled to any broker’s, finder’s, financial advisor’s or other similar fee or commission, or the reimbursement of expenses, in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Seller, the Company or any of their Subsidiaries.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Seller as follows:

Section 4.1. Organization.

Purchaser is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all corporate power and authority necessary to own or lease all of its properties and assets and to carry on its business as it is now being conducted. Purchaser is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing, individually or in the aggregate, would not reasonably be expected to have a Purchaser Material Adverse Effect.

Section 4.2. Authority; Noncontravention.

(a) Purchaser has all necessary corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized and approved by the board of directors of Purchaser, and no other corporate action on the part of Purchaser is necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Purchaser and, assuming due authorization, execution and delivery hereof by Seller, constitutes a legal, valid and binding

obligation of Purchaser, enforceable against it in accordance with its terms, subject to the Bankruptcy and Equity Exception.

(b) Neither the execution and delivery of this Agreement by Purchaser, nor the consummation by Purchaser of the transactions contemplated hereby, nor compliance by Purchaser with any of the terms or provisions hereof, will (i) conflict with or violate any provision of the certificate of incorporation or bylaws of Purchaser or (ii) assuming that the authorizations, consents and approvals referred to in Section 4.3 are obtained and the filings referred to in Section 4.3 are made, (A) violate any Law or Order applicable to Purchaser or its properties or assets, or (B) violate, conflict with, result in the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien (except for Permitted Liens) upon any of the properties or assets of Purchaser under, any of the terms, conditions or provisions of any Contract to which Purchaser is a party, or by which it or its properties or assets may be bound or affected except, in each case, for such violations, conflicts, losses, defaults, terminations, cancellations, accelerations or Liens as, individually or in the aggregate, would not reasonably be expected to prevent or materially impair or delay the ability of Purchaser to consummate the transactions contemplated hereby (a “**Purchaser Material Adverse Effect**”).

Section 4.3. Governmental Approvals.

Except for filings required under, and compliance with other applicable requirements of, the Exchange Act, no consents or approvals of, or filings, declarations or registrations with, any Governmental Agency are required by Purchaser for the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, other than such other consents, approvals, filings, declarations or registrations that, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

Section 4.4. Litigation.

As of the date hereof, there are no Legal Proceedings pending or, to the knowledge of Purchaser, threatened against Purchaser, before any Governmental Agency that seek to restrain or enjoin the consummation of the transactions contemplated hereby.

Section 4.5. Sufficiency of Funds.

Purchaser will have, on the Closing Date, sufficient funds available to consummate the transactions contemplated by this Agreement.

Section 4.6. Brokers and Other Advisors.

No broker, investment banker, financial advisor or other Person is entitled to any broker’s, finder’s, financial advisor’s or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Purchaser.

Section 4.7. Investigation by Purchaser.

The Purchaser :

- (a) acknowledges that, except as set forth in this Agreement, neither the Seller nor any of its directors, officers, employees, Affiliates, agents or representatives makes any representation or warranty, either express or implied, as to the accuracy or completeness of any of the

information provided or made available to Purchaser or its Representatives prior to the execution of this Agreement; and

- (b) agrees, to the fullest extent permitted by Law (except with respect to claims of fraud), that none of the directors, officers, employees, stockholders, Affiliates, or Representatives of the Seller or any of its Subsidiaries shall have any liability or responsibility whatsoever to Purchaser on any basis (including, in contract, tort or otherwise) based upon any information provided or made available or statements made, to Purchaser prior to the execution of this Agreement.

ARTICLE V. CERTAIN COVENANTS OF SELLER AND PURCHASER

Section 5.1. Conduct of Business Prior to Closing.

From the date of this Agreement until the earlier of the Closing or the termination of this Agreement, except (a) as required, permitted or otherwise contemplated by this Agreement, (b) as may be required by applicable Law, (c) as set forth on Schedule 5.1 or (d) with the prior written consent of Purchaser, which consent shall not be unreasonably withheld, delayed or conditioned, Seller shall take no action to cause the Company and its Subsidiaries to conduct the Business in other than the Ordinary Course of Business (including making capital expenditures in the Ordinary Course of Business), and use reasonable efforts to (i) comply in all material respects with all applicable Laws and the requirements of all Material Contracts, (ii) subject to Section 5.2, maintain and preserve intact its business organization and the goodwill of those having business relationships with the Company and retain the services of its current officers and key employees, in each case, to the end that such goodwill and ongoing business shall be unimpaired in all material respects on the Closing Date and (iii) keep in full force and effect all material Policies maintained by the Company and its Subsidiaries, other than changes to or replacements of such Policies made in the Ordinary Course of Business.

Section 5.2. Restrictions on the Conduct of Business Prior to Closing.

Without limiting the generality of Section 5.1, from the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement, except (a) as required, permitted or otherwise contemplated by this Agreement, (b) as may be required by applicable Law, (c) as set forth on Schedule 5.2 or (d) with the prior written consent of Purchaser, which consent shall not be unreasonably withheld, delayed or conditioned, Seller shall not, and shall not take any action to permit the Company or any of its Subsidiaries to:

(i) declare, set aside or pay any dividends on or make any other distributions (whether in cash, stock, equity securities or property) in respect of shares of Stock or Seller Stock or split, combine or reclassify shares of Stock or Seller Stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of Stock or Seller Stock (other than the issuance of shares of Seller Stock in connection with the exercise of any options issued by Seller);

(ii) purchase, redeem or otherwise acquire, directly or indirectly, any shares of Stock or the capital stock of any Subsidiary of the Company;

(iii) issue, deliver, sell, grant, authorize, pledge, transfer, subject to any Lien (other than Permitted Liens) or otherwise encumber or dispose of any shares of Stock, capital stock of any Subsidiary of the Company or any securities convertible into shares of Stock or capital stock of any Subsidiary, or subscriptions, rights, warrants or

options to acquire any shares of Stock or capital stock of any Subsidiary, or enter into other agreements or commitments of any character obligating it to issue any such securities or rights;

(iv) amend any (A) Charter Document or (B) the certificate of incorporation or bylaws of Seller, except, in the case of clause (B), for any amendment that would not adversely affect the ability of Seller to consummate the transactions contemplated by this Agreement or otherwise delay such consummation;

(v) directly or indirectly acquire (A) by merging or consolidating with, or by purchasing all of or a substantial equity interest in, or by any other manner, any Person or division, business or equity interest of any Person, or (B) any assets relating to the Business that have an aggregate purchase price in excess of one million five hundred thousand dollars (\$1,500,000);

(vi) solely with respect to the Company or its Subsidiaries, enter into a new line of business;

(vii) adopt a plan or agreement of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization other than, solely with respect to any such actions by Seller unrelated to the Business, any such actions as would not adversely affect the ability of Seller to consummate the transactions contemplated by this Agreement or otherwise delay such consummation;

(viii) cause the Company or its Subsidiaries to (A) incur or assume any Indebtedness or, except as otherwise contemplated by the Collins Industries, Inc.'s existing credit agreement, guarantee any Indebtedness (or enter into a "keep well" or similar agreement) or (B) issue or sell any debt securities or options, warrants, calls or other rights to acquire any debt securities of the Company or any of its Subsidiaries;

(ix) sell, transfer, lease, mortgage, encumber or otherwise dispose of or subject to any Lien (including pursuant to a sale-leaseback transaction or an asset securitization transaction), other than Permitted Liens, any properties or assets of the Company or its Subsidiaries to any Person, except pursuant to Contracts in force on the date of this Agreement and listed on Schedule 5.2;

(x) (A) enter into any Material Contract other than in the Ordinary Course of Business and that is terminable by the Company or any of its Subsidiaries on no more than one hundred twenty (120) days notice without any Liability to Purchaser, the Company or any of the Company's Subsidiaries, (B) terminate or amend in any material respect any Material Contract, (C) enter into or extend the term or scope of any Contract that purports to restrict the Company, or any existing or future Subsidiary or Affiliate of the Company, from engaging in any line of business or in any geographic area (except for dealer agreements entered into in the Ordinary Course of Business), (D) enter into any Material Contract that would be breached by, or require the consent of any third party in order to continue in full force following, consummation of the transactions contemplated hereby other than supplier agreements in the Ordinary Course of Business, (E) release any Person from, or modify or waive any provision of, any confidentiality agreement except, solely with respect to any such action by Seller unrelated to the Business, any such action as would not adversely affect the ability of Seller to consummate the transactions contemplated by this Agreement or otherwise delay such consummation, (F) release any Person from, or modify or waive any provision of, any standstill agreement or (G) other than in the

Ordinary Course of Business, fail to exercise any rights of renewal with respect to any Material Contract that by its terms would otherwise expire;

(xi) make any investment (by contribution to capital, property transfers, purchase of securities or otherwise) in, or loan or advance (other than travel and similar advances to its employees in the Ordinary Course of Business) to, any Person other than (A) a direct or indirect wholly or majority owned Subsidiary of the Company in the Ordinary Course of Business and (B) solely with respect to any such transactions by Seller unrelated to the Business, any such transactions as would not adversely affect the ability of Seller to consummate the transactions contemplated by this Agreement or otherwise delay such consummation;

(xii) increase in any manner the compensation of any of the Company's or its Subsidiaries' directors, officers or employees or enter into, establish, amend or terminate any employment, consulting, retention, change in control, collective bargaining, bonus or other incentive compensation, profit sharing, health or other welfare, stock option or other equity (or equity-based), pension, retirement, vacation, severance, deferred compensation or other compensation or benefit plan, policy, program, agreement, trust, fund or arrangement with, for or in respect of, any stockholder, director, officer, other employee, consultant or Affiliate of the Company or any of its Subsidiaries or take any action to accelerate the vesting or exercisability of compensation or benefits payable thereunder, other than (A) as required pursuant to applicable Law or the terms of the Contracts set forth on Schedule 5.2, (B) increases in salaries, wages and benefits of employees (other than officers of the Company or any of its Subsidiaries or employees of the Company or any of its Subsidiaries with annual compensation in excess of one hundred fifty thousand dollars (\$150,000)) made in the Ordinary Course of Business and in amounts and in a manner consistent with past practice, (C) such actions taken with respect to the named executive officers of Seller which shall not result in any Liability for Purchaser, the Company or any of their respective Subsidiaries, (D) entering into or amending any retention, change in control or severance agreements which shall not result in any Liability for Purchaser, the Company or any of their respective Subsidiaries, (E) hiring or terminating employees in the Ordinary Course of Business and (F) establishing, amending or terminating consulting agreements in the Ordinary Course of Business;

(xiii) except as required by applicable Law, make or revoke any election in respect of income and other Taxes, change any accounting method in respect of income and other Taxes, prepare any income and other Tax Returns in a manner which is not consistent with the past practice of the Company and any of its Subsidiaries with respect to the treatment of income and other material items on such Tax Returns, file any amendment to a Tax Return that will or may increase the Tax Liability of the Company and any of its Subsidiaries after the Closing, incur any Liability for Taxes other than in the Ordinary Course of Business, settle any claim or assessment in respect of income and other material Taxes, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of income and other material Taxes, enter into any closing agreement with respect to Taxes or obtain any material Tax ruling;

(xiv) settle or compromise any Legal Proceeding material to the Company or its Subsidiaries other than any settlement or compromise (A) in an amount less than two

hundred fifty thousand dollars (\$250,000) and (B) which does not result in any ongoing obligations of Purchaser, the Company or any of the Company's Subsidiaries;

(xv) revalue any of the Company's or its Subsidiaries' material assets, except as required by GAAP;

(xvi) solely with respect to the Company, its Subsidiaries and Seller (to the extent related to the Business), commence a Legal Proceeding other than (A) for the routine collection of bills or (B) in such cases where it in good faith determines that the commencement of such Legal Proceeding would not materially impair the Business; and

(xvii) agree, in writing or otherwise, to take any of the foregoing actions.

Section 5.3. Information and Access.

(a) From the date hereof until the earlier of the Closing Date or termination of this Agreement, Seller shall take no action to cause the Company not to permit, Purchaser and its Representatives to have reasonable access during normal business hours, and in a manner so as not to interfere with the normal operations of the Company or Seller, to the premises, properties, directors, officers, employees, accountants, books, records, Contracts, Permits, documents and such financial and operating data and other information of the Company as Purchaser or its Representatives may reasonably request. .

(b) After the Closing Date, Seller and Purchaser shall, and shall cause their respective Affiliates to, provide to each other and to their respective officers, employees, counsel and other Representatives, upon request (subject to any limitations that are reasonably required to preserve any applicable attorney-client privilege or confidentiality obligation), reasonable access for inspection and copying of all books, records, Contracts, Permits and financial, operating and other information existing as of the Closing Date and relating to the Business or Seller, as applicable, to enable the party requesting such access to comply with any reporting, filing or other requirements imposed by any Governmental Agency (including any Tax or SEC reports, filings or requirements). The party requesting such access and information shall reimburse the other party for all reasonable out of pocket costs and expenses incurred by such party in providing such access and information. The access to information contemplated by this Section 5.3(b) shall be during normal business hours and upon reasonable prior notice and shall be subject to such reasonable limitations as the party having custody or control thereof may impose to preserve the confidentiality of information contained therein.

Section 5.4. Reasonable Best Efforts; Approvals and Filings.

Subject to the terms and conditions of this Agreement, each of the parties hereto shall cooperate with the other parties and use (and shall cause their respective Subsidiaries to use) their respective reasonable best efforts to promptly (i) take, or cause to be taken, actions, and do, or cause to be done, things, necessary, proper or advisable to cause the conditions to Closing to be satisfied as promptly as practicable and to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated hereby, including preparing and filing promptly and fully all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents (including any required or recommended filings under applicable Laws), and (ii) obtain all approvals, consents, registrations, Permits,

authorizations and other confirmations from any Governmental Agency or third party necessary, proper or advisable to consummate the transactions contemplated hereby.

Section 5.5. Seller Proxy Statement; Other Filings; Seller Stockholders' Meeting.

(a) As promptly as reasonably practicable following the date of this Agreement, but in any event no later than one (1) day after the date hereof, Seller shall prepare and, after consultation with Purchaser, mail to its stockholders a Proxy Statement relating to the Seller stockholders' Meeting (together with all amendments, supplements and exhibits thereof, the "Proxy Statement"), which (except as contemplated by Section 5.6) shall contain the Seller Board Recommendation. Seller and Purchaser shall cooperate with one another in connection with the preparation of the Proxy Statement and shall furnish all information concerning such party as the other party may reasonably request in connection with the preparation of the Proxy Statement. Purchaser and its counsel shall be given a reasonable opportunity to review, comment upon and approve the Proxy Statement before it is disseminated to Seller's stockholders.

(b) All mailings to Seller's stockholders in connection with the transactions contemplated by this Agreement, shall be subject to the reasonable prior review and comment of Purchaser.

(c) Seller shall, in accordance with Seller's certificate of incorporation and bylaws and applicable Law, promptly and duly call, give notice of, convene and hold, as soon as reasonably practicable following the date of this Agreement, but in any event not later than February 18, 2010, a meeting of the stockholders of Seller (the "**Seller Stockholders' Meeting**") for the purpose of seeking the Seller Stockholder Approval, in all cases regardless of whether (i) an Adverse Recommendation Change shall have occurred or (ii) any Acquisition Proposal shall have been publicly proposed or announced or otherwise submitted to Seller or any of its Representatives. The board of directors of Seller shall use its commercially reasonable efforts to solicit the Seller Stockholder Approval.

Section 5.6. No Solicitation of Transactions by Seller.

(a) Seller and the Company shall, and shall cause their respective Subsidiaries and respective Representatives to, immediately cease and cause to be terminated any discussions or negotiations with any Person conducted heretofore with respect to an Acquisition Proposal, and use their commercially reasonable efforts to obtain the return from all such Persons or cause the destruction of all copies of confidential information previously provided to such parties by Seller, the Company, their Subsidiaries or any Representatives to the extent such confidential information remains confidential at such time. From the date hereof until the earlier of the termination of this Agreement in accordance with its terms or the Closing Date and subject to Section 5.6(b), Seller and the Company shall not, and shall cause their Subsidiaries and Representatives not to, directly or indirectly, (i) initiate, solicit, knowingly cause, knowingly encourage or knowingly facilitate (including by way of furnishing nonpublic information or assistance) any inquiries or the making of any proposal or other action that constitutes, or may reasonably be expected to lead to, any Acquisition Proposal, (ii) enter into, continue or otherwise participate in any discussions or negotiate with any Person in furtherance of such inquiries or to obtain an Acquisition Proposal, (iii) approve, endorse or recommend to the stockholders of Seller any Acquisition Proposal or (iv) enter into an agreement (other than a confidentiality agreement entered into in accordance with the provisions of this Agreement) with respect to an Acquisition Proposal. Without limiting the foregoing, Seller

acknowledges and agrees that any violation of the foregoing restrictions by Seller's Subsidiaries, including the Company, or their Representatives shall be deemed a breach of this Section 5.6(a) by Seller.

(b) Notwithstanding anything to the contrary set forth in Section 5.6(a) or any other provision of this Agreement to the contrary, if at any time prior to the receipt of the Seller Stockholder Approval, Seller or the Company receives a bona fide written Acquisition Proposal in circumstances not involving a breach of Section 5.6(a), Seller may, directly or through its Representatives, (i) contact such Person and its Representatives for the purpose of clarifying the Acquisition Proposal and any material terms thereof and the conditions to and likelihood of consummation, so as to determine, following consultation with Seller's financial advisor and outside legal counsel, whether such Acquisition Proposal is, or is reasonably likely to lead to, a Superior Proposal and (ii) if the board of directors of Seller determines in good faith after consultation with its legal and financial advisors that such Acquisition Proposal is, or is reasonably likely to lead to, a Superior Proposal, the board of directors of Seller may, but only if and to the extent the board of directors of Seller determines in good faith, based on such matters as it deems relevant following consultation with its financial advisor and outside legal counsel, that the failure to do so would be reasonably likely to constitute a breach by the board of directors of Seller of its fiduciary duties under applicable Law, and after providing Purchaser not less than twenty-four (24) hours' written notice of its intention to take such actions, (A) furnish non-public information with respect to Seller or the Company to the Person who made such Acquisition Proposal pursuant to a confidentiality agreement executed by Seller or the Company and such Person containing provisions as to nondisclosure and use restrictions reasonably acceptable to Purchaser; provided, however, that Seller or the Company has previously or concurrently furnished such information to Purchaser and (B) participate in negotiations regarding such Acquisition Proposal.

(c) Except as expressly permitted by Section 5.6(d) or Section 5.6(e), the board of directors of Seller shall not, directly or indirectly, (i) (A) withdraw (or amend or modify in a manner adverse to Purchaser) or publicly propose to withdraw (or amend or modify in a manner adverse to Purchaser), the Seller Board Recommendation, (B) recommend that its stockholders, adopt or approve, or propose publicly to recommend that its stockholders, adopt or approve, any Acquisition Proposal or (C) fail to recommend against acceptance of any tender offer or exchange offer for Stock or Seller Stock that constitutes an Acquisition Proposal within ten (10) Business Days after the commencement of such offer (any of the foregoing actions being referred to as an "**Adverse Recommendation Change**") or (ii) approve or recommend, or publicly propose to approve or recommend, or allow Seller or the Company to execute or enter into, any letter of intent, memorandum of understanding, agreement in principle, merger agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar agreement, arrangement or understanding (other than a confidentiality agreement referred to in Section 5.6(a)) (A) constituting or that could reasonably be expected to lead to any Acquisition Proposal or (B) requiring Seller or the Company to abandon, terminate or fail to consummate the transactions contemplated by this Agreement.

(d) Notwithstanding anything to the contrary set forth in this Agreement, if the board of directors of Seller receives a bona fide written Acquisition Proposal prior to the receipt of the Seller Stockholder Approval, that (i) was made in circumstances not involving a breach

of Section 5.6(a) and (ii) the board of directors of Seller determines in good faith constitutes a Superior Proposal:

(i) the board of directors of Seller may make an Adverse Recommendation Change in response to such Superior Proposal if the board of directors determines in good faith, based on such matters it deems relevant following consultation with its financial advisor and its outside counsel, that the failure to take such action would be reasonably likely to constitute a breach by the board of directors of Seller of its fiduciary duties under applicable Law; and

(ii) the board of directors of Seller may, in response to such Superior Proposal and within forty-eight (48) hours after the expiration of the three (3) Business Day period described below, enter into a Contract with respect to such Superior Proposal if Seller is permitted to terminate this Agreement on such date pursuant to the terms of Section 10.1(g) and, concurrently with its entering into such Contract shall have terminated this Agreement pursuant to Section 10.1(g) but only after the third (3rd) Business Day following Purchaser's receipt of written notice from Seller advising Purchaser that the board of directors of Seller is prepared to enter into a Contract with respect to such Superior Proposal (which notice shall include the most current versions of such Contract) and terminate this Agreement, if during such three (3) Business Day period, Seller and its Representatives shall have provided Purchaser with a reasonable opportunity to provide to Seller a binding written offer by Purchaser to amend the terms and conditions of this Agreement, and shall have considered in good faith any such binding, written offer of Purchaser to amend the terms and conditions of this Agreement delivered by Purchaser to Seller.

(e) Without limiting the provision of Section 5.6(d), at any time prior to obtaining the Seller Stockholder Approval, and subject to Seller's compliance in all material respects with the other provisions of this Section 5.6, as applicable, the board of directors of Seller may make an Adverse Recommendation Change if the board of directors of Seller determines in good faith, following consultation with its outside legal counsel, that such action is consistent with its fiduciary duties to the stockholders of Seller under applicable Law; provided, however, that Seller shall provide Purchaser with forty-eight (48) hours' prior notice (or such lesser prior notice as is provided to the members of the board of directors of Seller) of any meeting of the board of directors of Seller at which the board of directors is expected to consider making an Adverse Recommendation Change.

(f) Seller shall promptly advise Purchaser orally and in writing, and in no event later than twenty-four (24) hours after receipt, of any Acquisition Proposal, the material terms and conditions of any such Acquisition Proposal (including any changes thereto) and the identity of the Person making any such Acquisition Proposal (and shall include with such notice copies of any written materials received from or on behalf of such Person relating to such Acquisition Proposal). Seller shall keep Purchaser reasonably informed of the status (including any change to the material terms and conditions thereof) of any such Acquisition Proposal and shall provide Purchaser with copies of any additional written materials received that relate to such Acquisition Proposal.

(g) Nothing in this Section 5.6 or elsewhere in this Agreement shall prevent the board of directors of Seller from taking and disclosing any position or disclosing any information required to be disclosed under applicable Law or, if applicable, from complying with Rule 14d-9 or Rule 14e-2(a) promulgated under the Exchange Act, and to the extent referred to therein, Item 1012(a) of Regulation M-A with respect to an Acquisition Proposal; provided,

however, that any such disclosure thereunder shall be governed by the terms of this Agreement, including with respect to any Adverse Recommendation Change. In addition, nothing in this Section 5.6 or elsewhere in this Agreement shall prohibit Seller or the Company from taking any action that any court of competent jurisdiction orders Seller or the Company to take.

Section 5.7. Notices of Certain Events.

The parties to this Agreement shall promptly notify each other of:

(a) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement or any other Transaction Document;

(b) any notice or other communication from any Governmental Agency in connection with the transactions contemplated by this Agreement or any other Transaction Document; and

(c) any actions, suits, claims, investigations or proceedings commenced or, to their knowledge, threatened against, relating to or involving or otherwise affecting Purchaser, Seller or the Company which, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Schedule 3.8 in the case of Seller or the Company, or that relate to the consummation of the transactions contemplated by this Agreement or any other Transaction Document.

For the avoidance of doubt, the delivery of any notice pursuant to this Section 5.7 shall not (i) cure any breach of, or non-compliance with, any other provision of this Agreement or (ii) limit the remedies available to the party receiving such notice.

Section 5.8. Further Assurances.

Seller and Purchaser each agree to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be necessary or desirable in order to consummate or implement expeditiously the transactions contemplated by this Agreement and any other Transaction Document and to vest in Purchaser title to the Stock as provided herein.

Section 5.9. Public Announcements.

The initial press releases concerning the transactions contemplated by this Agreement and any other Transaction Document shall be separate press releases by Purchaser and Seller, each of which shall be approved by the parties to this Agreement and shall be disseminated at such time and in such manner as the parties shall mutually agree unless otherwise required by applicable Law. Purchaser acknowledges that Seller shall issue a press release announcing this transaction upon the execution of this Agreement; provided, however, that such press release shall be subject to Purchaser's prior consent, such consent not be unreasonably withheld or delayed. Thereafter, neither Seller nor Purchaser shall issue or cause the publication of any press release or other public announcement (to the extent not previously issued or made in accordance with this Agreement) with respect to the Agreement or the transactions contemplated hereby without the prior consent of the other party (which consent shall not be unreasonably withheld or delayed), except as may be required by Law as determined in the good faith judgment of the party proposing to make such release (in which case such party shall not issue or cause the publication of such press release or other public announcement without prior consultation with the other party).

Section 5.10. Non-Competition and Non-Solicitation.

(a) Seller agrees that, for a period of five (5) years following the Closing Date, it shall not, directly or indirectly, own, manage, operate, control or participate in the ownership, management, operation or control of any business, whether in corporate, proprietorship or partnership form or otherwise, engaged in the Business. The parties hereto specifically acknowledge and agree that the remedy at law for any breach of the foregoing will be inadequate and that Purchaser, in addition to any other relief available to it, shall be entitled to temporary and permanent injunctive relief without the necessity of proving actual damage or posting any bond whatsoever.

(b) Seller agrees that, for a period of three (3) years following the Closing Date, it shall not solicit or induce the employment or services of or hire any employee of Purchaser, the Company or its Subsidiaries or any employee providing services to the Business without the prior written consent of Purchaser; provided, however, that general solicitations to the public not directed at such employees shall not be deemed a violation of this Section 5.10(b).

ARTICLE VI. CERTAIN TAX COVENANTS AND AGREEMENTS

Section 6.1. Tax Returns.

(a) (a) Seller shall prepare and timely file (or cause to be prepared and filed) (i) all federal income Tax Returns required to be filed by or with respect to the Seller and the Company and its Subsidiaries for any pre-Closing Tax Years and (ii) all consolidated, combined or unitary state income (franchise) Tax Returns of the Seller and the Company and its Subsidiaries listed on Schedule 6.1 for any pre-Closing Tax Years. Any Taxes due with respect to such Tax Returns shall be allocated and paid by the Company and the Seller, as the case may be, according to the provisions of Section 2 of the Tax Sharing Agreement, notwithstanding the termination of the Tax Sharing Agreement pursuant to Section 6.7. All such income Tax Returns shall be prepared in a manner consistent with prior practice, unless otherwise required by Law. With respect to any income Tax Returns referred to in clause (i) above, Seller shall provide Purchaser with copies of completed drafts of the income Tax Returns described above at least forty-five (45) days prior to the due date thereof (including extensions), along with supporting workpapers. Purchaser shall provide Seller with comments no later than fifteen (15) days before the respective due date of such income Tax Returns. Seller shall make such revisions to such income Tax Returns as are reasonably requested by Purchaser. Seller and Purchaser shall attempt in good faith to resolve any disagreements regarding such income Tax Returns prior to the due date for filing. In the event that the parties are unable to resolve any dispute with respect to such income Tax Returns at least ten (10) days prior to the due date for filing, such dispute shall be resolved pursuant to Section 6.1(d), which resolution shall be binding on the parties. With respect to any income Tax Return referred to in clause (ii) above, Seller shall provide Purchaser with the portion of such income Tax Returns relating to the Company and any of its Subsidiaries at least forty-five (45) days prior to the due date thereof (including extensions) along with supporting workpapers. Purchaser shall provide Seller with comments no later than fifteen (15) days before the respective due date of such income Tax Returns. Seller shall consider in good faith any revisions suggested by Purchaser.

(b) [Intentionally Omitted.]

(c) Except as set forth in Section 6.1(a) above, Purchaser shall prepare and timely file (or cause to be prepared and filed), all Tax Returns required to be filed by or with respect to the Company and its Subsidiaries. Purchaser shall pay or cause to be paid any and all Taxes due with respect to such Tax Returns. Seller will furnish to Purchaser all information and records reasonably requested for use in preparation of any such Tax Returns.

(d) Any dispute as to any matter covered hereby shall be resolved by an independent accounting firm mutually acceptable to Seller and Purchaser. Such independent accounting firm shall resolve any such disputed matter promptly, but no later than ten (10) days after the acceptance of its appointment. The fees and expenses of such accounting firm shall be borne equally by Seller and Purchaser. If any dispute with respect to a Tax Return is not resolved prior to the due date of such Tax Return, such Tax Return shall be filed in the manner which the party responsible for filing such Tax Return deems correct, without prejudice to the rights of the other party to pursue the dispute. The decision of the independent accounting firm shall be final and binding on Seller and Purchaser. To the extent necessary to reflect a determination of such independent accounting firm, Seller and Purchaser shall amend or cause to be amended any relevant Tax Returns and take all other actions that are consistent with such determination.

Section 6.2. [Intentionally Omitted.]

Section 6.3. Tax Proceedings.

(a) If notice of any audit or administrative or judicial proceeding with respect to Taxes of the Company or any of its Subsidiaries (a “**Tax Claim**”) for a taxable period ending on or before the Closing Date shall be received by Purchaser, the Company or any of its Subsidiaries for which Seller may reasonably be expected to be liable pursuant to Section 6.9, Purchaser shall promptly, and in any event within thirty (30) days of receipt of any such notice, notify Seller in writing of such Tax Claim; provided, however, that the failure of Purchaser to give Seller notice as provided herein shall not relieve Seller of its obligations under this Section 6.3, except to the extent that Seller is adversely affected thereby.

(b) Seller shall have the right to control (at its own expense) the conduct of any Tax Claim with respect to any taxable period ending on or prior to the Closing Date for which it may be liable for indemnification pursuant to this Article VI or Article IX; provided, however, that Seller shall not compromise or settle any such Tax Claim without obtaining Purchaser’s prior written consent (which consent may not be unreasonably withheld, conditioned or delayed) if it would reasonably be expected to have a materially adverse effect on Purchaser. Purchaser shall control the conduct of all other Tax Claims.

Section 6.4. Tax Cooperation.

Purchaser and Seller shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing of Tax Returns and any Tax Claim. Such cooperation shall include the retention and (upon the other party’s request) the provision of records and information reasonably relevant to any such Tax Claim and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Purchaser and Seller shall retain all books and records with respect to Tax matters pertinent to the Company relating to any taxable period beginning before the Closing Date until expiration of the statute of limitations (taking into account any extensions thereof) of the respective taxable periods. A party intending to destroy any material records or

documents shall provide the other party with reasonable advance notice and the opportunity to copy or take possession of such records.

Section 6.5. Certain Post-Closing Actions.

Neither party nor any of their respective Affiliates (including, after the Closing, Seller, the Company and its Subsidiaries) shall, without the prior written consent of the other Party (which consent shall not be unreasonably withheld, delayed or conditioned), (a) make or change any income and other material Tax election affecting a taxable period ending on or before the Closing Date of Seller or any of its Affiliates (including, before the Closing, the Company and its Subsidiaries) or (b) amend, refile or otherwise modify (or grant an extension of any applicable statute of limitations with respect to) any Tax Return prepared by Seller or any of its Affiliates (including, before the Closing, the Company) relating to a taxable period ending on or before the Closing Date; provided, however, that Seller and its Affiliates (other than the Company and its Subsidiaries) may take any such action described in (a) or (b) above unless such action would have the effect of increasing the Tax Liability of Purchaser or any of its Affiliates (including the Company and its Subsidiaries) in respect of a Post-Closing Tax Year in excess of two hundred fifty thousand dollars (\$250,000) in the aggregate (the “Allowed Liability Amount”); provided, further, however, that the Allowed Liability Amount, if any, shall be included, dollar for dollar, in determining whether the Deductible has been exceeded pursuant to Section 9.2(c)(i). In addition, Purchaser shall, and shall cause the Company to, provide the Seller and its affiliated entity, Steel Partners Holdings, L.P., with such assistance and such accounting, financial reporting and tax information relating to the Company for the period ending on the Closing Date reasonably requested by the Seller or Steel Partners Holdings, L.P., which is reasonably required by the Seller and Steel Partners Holdings, L.P. to satisfy any of their respective tax and financial reporting requirements; provided, however, that Seller and Steel Partners Holdings, L.P. shall promptly reimburse Purchaser and the Company for any and all out-of-pocket expenses incurred by them in providing such assistance and information.

Section 6.6. Refunds.

If, following the Closing Date, a refund of Taxes relating to the Tax Returns described in Section 6.1(a) herein is received by or credited to the account of the Company or any of its Subsidiaries (including interest thereon, but net of any Taxes incurred in respect of any such refund, credit or interest), other than any refund or credit attributable to the carryback of any loss or other Tax Attribute of the Company from a Post-Closing Tax Year to a Pre-Closing Tax Year, such refund shall be paid promptly by the Company to the Seller.

Section 6.7. Tax Sharing Agreements.

Seller shall cause any tax sharing agreement or similar arrangement with respect to Taxes involving the Company, on the one hand, and Seller or any of its Affiliates, on the other hand, to be terminated effective as of the Closing Date, and after the Closing Date the Company shall have no obligation under any such agreement or arrangement for any past, present or future period.

Section 6.8. Transfer Taxes.

All transfer, documentary, sales, use, stamp, registration and other such Taxes, and all conveyance fees, recording charges and other fees and charges (including any penalties and interest) incurred in connection with consummation of the transactions contemplated by this Agreement shall be borne equally by Seller and Purchaser when due, and Seller and Purchaser

will, at their own expense, file all necessary Tax Returns and other documentation with respect to all such Taxes, fees and charges.

Section 6.9. Tax Indemnity.

From and after the Closing, Seller shall indemnify the Purchaser Indemnitees against and hold them harmless from and against any Damages with respect to (a) any Liability of the Company and any of its Subsidiaries (or any Affiliated Group of which the Company or any of its Subsidiaries has been a member) for any Taxes relating to the Tax Returns described in Section 6.1(a) herein, (b) any Liability of the Company or any of its Subsidiaries for any Taxes of another Person pursuant to Treasury Regulation section 1.1502-6 (or any predecessor or successor thereof or any analogous or similar provision state, local or foreign law), by assumption, or operation of law, (c) the failure of Seller to perform any covenant contained in this Article VI with respect to Taxes, (d) the failure by Seller to timely pay any and all Taxes required to be borne by Seller pursuant to Section 6.8, and (e) any Liability of the Seller under the Tax Sharing Agreement. From and after the Closing, Purchaser shall indemnify the Seller Indemnitees against and hold them harmless from and against any Damages with respect to (a) the failure of Purchaser to perform any covenant contained in this Article VI with respect to Taxes, (b) the failure by Purchaser to timely pay any and all Taxes required to be borne by Purchaser pursuant to Section 6.8, and (c) any Liability of the Company or its Subsidiaries under the Tax Sharing Agreement.

ARTICLE VII. CONDITIONS TO THE PURCHASE AND SALE OF STOCK

Section 7.1. Mutual Conditions.

The obligations of Seller and Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver in writing at or prior to the Closing Date of the following conditions:

- (a) The Seller Stockholder Approval shall have been obtained by Seller; and
- (b) No preliminary or permanent injunction or other Order issued by any court or Governmental Agency, nor any statute, rule, regulation, decree or Order promulgated or enacted by any Governmental Agency that declares this Agreement or any other Transaction Document invalid or unenforceable in any respect or which prevents the consummation of the transactions contemplated hereby or thereby shall be in effect.

Section 7.2. Conditions to Seller's Obligation.

The obligation of Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction (unless waived in writing by Seller) of each of the following conditions on or prior to the Closing Date:

- (a) The representations and warranties of Purchaser contained in this Agreement that (i) are not made as of a specific date shall be true and correct as of the Closing Date, as though made on and as of the Closing Date, and (ii) are made as of a specific date shall be true and correct as of such date, in each case, except where the failure of such representations or warranties to be true and correct (without giving effect to any limitation as to "materiality" or "Purchaser Material Adverse Effect" set forth in such representations and warranties) has not had and would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect. Purchaser shall have delivered to

Seller a certificate of its president or chief executive officer, dated the Closing Date, to the foregoing effect.

(b) Purchaser shall have performed and complied in all material respects with all covenants to be performed or complied with by it on or prior to the Closing Date. Purchaser shall have delivered to Seller a certificate of its president or chief executive officer, dated the Closing Date, to the foregoing effect.

(c) Purchaser shall have executed and delivered to Seller all of the other Transaction Documents.

Section 7.3. Conditions to Purchaser's Obligation.

The obligation of Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction (unless waived in writing by Purchaser) of each of the following conditions on or prior to the Closing Date:

(a) The representations and warranties of Seller (i) set forth in Section 3.3 shall be true and correct in all respects as of the Closing Date as if made on and as of the Closing Date (or, if given as of a specific date, at and as of such date) and (ii) set forth in Article III hereof (other than as described in clause (i) above) that (A) are not made as of a specific date shall be true and correct as of the Closing Date as though made on and as of the Closing Date, and (B) are made as of a specific date shall be true and correct as of such date, except in this clause (ii) where the failure of such representations or warranties to be true and correct (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth in such representations and warranties) has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Seller shall have delivered to Purchaser a certificate of its president or chief executive officer, dated the Closing Date, to the foregoing effect.

(b) Seller shall have performed and complied in all material respects with all covenants to be performed or complied with by it on or prior to the Closing Date. Seller shall have delivered to Purchaser a certificate of its president or chief executive officer, dated the Closing Date, to the foregoing effect.

(c) Seller shall have executed and delivered, or caused the Company to execute and deliver, to Purchaser all of the other Transaction Documents to which Seller or the Company is a party.

(d) Purchaser shall have received evidence reasonably acceptable to it of the cancellation of (i) all warrants issued to Seller exercisable for shares of the Company's common stock, and (ii) the Tax Sharing Agreement.

(e) Purchaser shall have received a duly executed certificate of non-foreign status from Seller that complies with Section 1445 of the Code in a form mutually agreeable to the parties (the "**FIRPTA Certificate**").

(f) Since the date of this Agreement, a Material Adverse Effect shall not have occurred.

(g) Purchaser shall have received the resignations, effective as of the Closing Date, of each of the officers and directors of the Company and each of its Subsidiaries set forth on Schedule 7.3(g).

(h) Purchaser shall have received evidence reasonably satisfactory to it of the release of the pledge described in Schedule 3.3(b).

(i) Purchaser shall have received the audited balance sheet of the Company as of the Balance Sheet Date and the related statement of income for the fiscal year then ended, and such balance sheet and statement of income shall (i) be substantially the same as the Financial Statements, (ii) have been prepared in accordance with GAAP, (iii) present fairly, in all material respects, the financial condition and the results of operations of the Company as of the dates and for the period indicated thereon, and (iv) be complete, correct and in accordance with the books of account and records of the Company in all material respects.

ARTICLE VIII. THE CLOSING

Section 8.1. The Closing.

The Closing of the transactions contemplated hereby (the “**Closing**”) shall be held at 12:00 p.m. (New York time) not more than two (2) Business Days after each of the conditions precedent set forth in Article VII have been satisfied or waived by the party entitled to the benefit thereof (the “**Closing Date**”) or at such other time as the parties may mutually agree. The Closing shall be held at the offices of Patton Boggs LLP, 2550 M Street NW, Washington, D.C. 20037 or at such other place as the parties may mutually agree.

Section 8.2. Deliveries by Seller at the Closing.

At the Closing, Seller shall deliver, or cause to be delivered, to Purchaser, the following items:

- (a) the duly executed certificates referred to in Section 7.3(a), Section 7.3(b) and Section 7.3(d);
- (b) all other Transaction Documents duly executed by Seller;
- (c) certificates representing the Stock, duly endorsed in blank for transfer or accompanied by appropriate powers duly executed in blank, free and clear of all Liens;
- (d) the FIRPTA Certificate referred to in Section 7.3(e);
- (e) the resignations referred to in Section 7.3(g); and
- (f) all other previously undelivered documents that Seller is required to deliver to Purchaser pursuant to this Agreement.

Section 8.3. Deliveries by Purchaser at the Closing.

At the Closing, Purchaser shall deliver, or cause to be delivered, to Seller, the following items:

- (a) the duly executed officer’s certificates referred to in Section 7.2(a) and Section 7.2(b);
- (b) all other Transaction Documents duly executed by Purchaser;
- (c) the Closing Date Payment; and
- (d) all other previously undelivered documents that Purchaser is required to deliver to Seller pursuant to this Agreement.

ARTICLE IX. INDEMNIFICATION

Section 9.1. Survival.

The representations and warranties of Seller contained in Section 3.1 (Organization; Standing; Corporate Power; Capitalization), Section 3.2 (Corporate Authorization; Noncontravention) and Section 3.3 (Capitalization; Title to the Stock), other than Section 3.3.(c), shall survive the Closing Date indefinitely, subject to any applicable statute of limitations, and the other representations and warranties of Seller contained in this Agreement (including, without limitation, those contained in Section 3.3(c)) shall terminate on the Closing Date. The representations and warranties of Purchaser contained in Section 4.2 (Authority; Noncontravention) and Section 4.7 (Investigation by Purchaser) shall survive the Closing Date indefinitely, subject to any applicable statute of limitations; all other representations and warranties of the Purchaser set forth in this Agreement shall terminate on the Closing Date. Each survival period described above shall be referred to herein as a “**Survival Period.**” Notwithstanding the foregoing, any notice given in accordance with Section 11.1 of this Agreement (and delivered within the applicable Survival Period for such representation or warranty) claiming an alleged breach of any representation or warranty hereunder shall without further action extend the survival period for the representation or warranty alleged to have been breached as applied to the circumstances set forth in such notice until immediately after the final resolution of the matter. The covenants and agreements of Seller and Purchaser contained in this Agreement that by their terms apply or are to be performed in whole or in part after the Closing shall survive the Closing.

Section 9.2. Indemnification Provisions for Benefit of Purchaser and Seller.

(a) From and after the Closing Date, Purchaser and its Subsidiaries, Affiliates, officers, directors, employees, stockholders and Representatives (collectively, the “**Purchaser Indemnitees**”) shall be indemnified and held harmless by Seller from and against and in respect of all Damages resulting from or incurred by any Purchaser Indemnitee by reason of:

(i) the failure of any representation or warranty of Seller in Section 3.1, Section 3.2 or Section 3.3 (other than Section 3.3(c)) of this Agreement to be true, correct and complete on the date of this Agreement and as of the Closing Date as if made on and as of the Closing Date, except that any such representations and warranties which by their express terms are made as of a specified earlier date shall be true, correct and complete only as of such specified earlier date;

(ii) any breach or failure by Seller to perform any of the covenants or agreements of Seller contained in this Agreement; and

(iii) any Excluded Liabilities, including any Liability relating to claims against Seller under the Environmental Laws which were not related to the Company or its Subsidiaries.

(b) From and after the Closing Date, Seller and its Subsidiaries, Affiliates, officers, directors, employees, stockholders and Representatives (collectively, the “**Seller Indemnitees**” and, together with the Purchaser Indemnitees, “**Indemnitees**”) shall each be indemnified and held harmless by Purchaser from and against and in respect of any and all Damages resulting from or incurred by any Seller Indemnitee by reason of:

(i) the failure of any representation or warranty of Purchaser in Section 4.2 of this Agreement to be true, correct and complete on the date of this Agreement and as of the Closing Date as if made on and as of the Closing Date, except that any such

representations and warranties which by their express terms are made as of a specified earlier date shall be true, correct and complete only as of such specified earlier date, in each case, determined without giving effect to any “materiality” or “Purchaser Material Adverse Effect” qualification contained in such representations and warranties; and

(ii) any breach or failure by Purchaser to perform any of the covenants or agreements of Purchaser contained in this Agreement.

(c) Limitations.

(i) Notwithstanding anything herein to the contrary, Seller shall not be obligated to indemnify the Purchaser Indemnitees pursuant to Section 9.2(a)(i) and Purchaser shall not be obligated to indemnify the Seller Indemnitees pursuant to Section 9.2(b)(i) unless, in each case, the aggregate of all Purchaser Indemnitees’ Damages or Seller Indemnitees’ Damages, as the case may be, exceeds two hundred and fifty thousand dollars (\$250,000) (the “**Threshold**”), in which case the Purchaser Indemnitees or the Seller Indemnitees, as the case may be, shall be entitled to recover all of their Damages.

(ii) The maximum aggregate Liability of either Seller or Purchaser pursuant to Section 9.2(a)(i) or Section 9.2(b)(i) shall not exceed the Purchase Price (such amount, the “**Cap**”); provided, however, that Damages attributable to fraud or intentional misrepresentations or intentional omissions on the part of Seller or Purchaser, shall not be subject to the Cap.

Section 9.3. Indemnification Claims.

Any claim of indemnification pursuant to this Agreement (an “**Indemnification Claim**”) by any Indemnitee shall be made in accordance with this Article IX. If any Indemnitee wishes to make an Indemnification Claim pursuant to this Article IX in respect of any Damages, such Indemnitee shall give the appropriate indemnifying party (the “**Indemnifying Party**”) prompt written notice thereof within the applicable Survival Period. Any such notice shall set forth in reasonable detail and to the extent then known the basis for, and amount of Damages related to, such Indemnification Claim. The failure of such Indemnitee to give notice of any Indemnification Claim promptly, but within the applicable Survival Period, shall not adversely affect such Indemnitee’s right to indemnification hereunder except to the extent that such failure adversely affects the right of the Indemnifying Party to assert any reasonable defense to such claim.

Section 9.4. Matters Involving Third Parties.

(a) If any third party notifies any Indemnitee with respect to any matter which may give rise to an Indemnification Claim against the Indemnifying Party under this Article IX, then the Indemnitee shall notify the Indemnifying Party thereof promptly and in any event within ten (10) Business Days after receiving any written notice from a third party; provided, however, that no delay on the part of the Indemnitee in notifying the Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder except to the extent that such failure adversely affects the right of the Indemnifying Party to assert any reasonable defense to such Indemnification Claim.

(b) Once the Indemnitee has given notice of the matter to the Indemnifying Party, the Indemnitee may, subject to the Indemnifying Party's rights to assume the defense of such matter pursuant to Section 9.4(c), defend against the matter in any manner it deems appropriate.

(c) The Indemnifying Party may at any point in time choose to assume the defense of all of such matter, in which event:

(i) the Indemnifying Party shall defend the Indemnitee against the matter with counsel of the Indemnifying Party's choice; and

(ii) the Indemnitee may retain separate counsel at its sole cost and expense (except that the Indemnifying Party shall be responsible for the fees and expenses of one separate co-counsel for all Indemnitees to the extent the Indemnitee is advised, in writing by its counsel, that either (A) the counsel the Indemnifying Party has selected has a conflict of interest or (B) there are legal defenses available to the Indemnitee that are materially different from or additional to those available to the Indemnifying Party).

(d) The Indemnitee shall not consent to the entry of a judgment or enter into any settlement with respect to any matter which may give rise to an Indemnification Claim without the prior written consent of the Indemnifying Party, which consent may not be unreasonably withheld or delayed.

(e) The Indemnifying Party shall not consent to the entry of a judgment or enter into any settlement with respect to any matter which may give rise to an Indemnification Claim or enter into any settlement unless, in each case, such judgment or settlement includes a provision whereby the plaintiff or claimant in the matter releases the Indemnitee from all Liability with respect thereto, without the prior written consent of the Indemnitee, which consent may not be unreasonably withheld or delayed.

Section 9.5. Certain Additional Provisions Relating to Indemnification.

(a) Except as otherwise provided herein, the indemnification provisions set forth in this Article IX and Article VI shall constitute the sole and exclusive recourse and remedy available to the parties hereto with respect to the breach of any representation, warranty or covenant contained in this Agreement; provided, however, that the foregoing clause shall not be deemed a waiver by any party of any right to specific performance or injunctive relief, or any right or remedy arising by reason of any claim of fraud or intentional misrepresentations or intentional omissions with respect to this Agreement or any of the other Transaction Documents.

(b) All payments by an Indemnifying Party under this Article IX and Article VI shall be treated as an adjustment to the Purchase Price for all foreign, federal, state and local income Tax purposes. For the avoidance of doubt, with respect to any indemnification related to Taxes, in the event of a conflict between this Article IX and Article VI, Article VI shall govern such indemnification related to Taxes.

(c) Each payment by an Indemnifying Party made pursuant to this Article IX shall be reduced to the extent of any (i) insurance proceeds actually received by Purchaser or Seller, as applicable, or (ii) reimbursements or similar payments actually received by Purchaser or Seller, as applicable, from a third party with respect to such payment; provided, however, neither Purchaser nor Seller, as applicable, shall have any obligation whatsoever to seek any payments from, or take action with respect to, any insurance policies or third parties in lieu

of or as a condition to receiving a payment from an Indemnitee under this Article IX and any such action shall be at the sole and absolute discretion of Purchaser or Seller, as applicable.

ARTICLE X. TERMINATION

Section 10.1. Termination.

This Agreement may be terminated and the transactions contemplated by this Agreement may be abandoned prior to the Closing Date as follows (the date of any such termination, the “**Termination Date**”):

(a) by mutual written consent of Purchaser and Seller;

(b) by either Purchaser or Seller if the Closing shall not have occurred on or before February 19, 2010 (the “**Outside Date**”); provided, however, that the right to terminate this Agreement under this Section 10.1(b) shall not be available to a party whose failure to fulfill any obligation under this Agreement materially contributed to the failure of the Closing to occur on or before such date;

(c) by Purchaser if any Governmental Agency shall have enacted, issued, promulgated, enforced or entered any Order or taken any other action (including the failure to have taken an action) which, in either such case, has the effect of making consummation of the transactions contemplated by this Agreement illegal or otherwise preventing or prohibiting consummation of the transactions contemplated by this Agreement, which Order or action shall have become final and non-appealable;

(d) by either Purchaser or Seller if the Seller Stockholder Approval shall not have been obtained at the Seller Stockholders’ Meeting;

(e) by Purchaser, if an Adverse Recommendation Change shall have occurred or the board of directors of Seller approves or recommends, or publicly proposes to approve or recommend, or allows Seller or the Company to execute or enter into, any letter of intent, memorandum of understanding, agreement in principle, merger agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar agreement, arrangement or understanding (other than a confidentiality agreement referred to in Section 5.6(a)) (i) constituting or that could reasonably be expected to lead to any Acquisition Proposal or (ii) requiring Seller or the Company to abandon, terminate or fail to consummate the transactions contemplated by this Agreement;

(f) by Purchaser, if (i) there shall have occurred any changes, effects, events, occurrences, state of facts or developments that, individually or in the aggregate, have had a Material Adverse Effect (unless such Material Adverse Effect has been cured with no cost to, ongoing obligations of or impact on the Company or any of its Subsidiaries), (ii) the representations and warranties of Seller set forth in this Agreement, other than the representations and warranties of Seller set forth in Sections 3.1, 3.2. and 3.3 (other than Section 3.3(c)), shall not be true and correct on and as of the date of such determination as if made on such date and such failure to be true and correct would give rise to a failure of a condition set forth in Section 7.3(a), (iii) the representations and warranties of Seller set forth in Sections 3.1, 3.2. and 3.3 (other than Section 3.3(c)) shall not be true and correct on and as of the date of such determination as if made on such date and such failure to be true and correct would give rise to a failure of a condition set forth in Section 7.3(a), or

(iv) Seller shall have breached or failed to perform or comply in all material respects with any obligation, agreement or covenant required by this Agreement to be performed or complied with by it, if in each case under clauses (ii), (iii) and (iv) such inaccuracy, breach or failure to perform or comply cannot be cured or has not been cured within fifteen (15) Business Days after Seller receives written notice thereof;

(g) by Seller, if at any time prior to receipt of the Seller Stockholder Approval, it concurrently enters into a definitive Contract providing for a Superior Proposal in accordance with Section 5.6(d); provided, however, that prior thereto or concurrently therewith Seller shall have paid or caused to be paid the Termination Fee to Purchaser in accordance with Section 10.3 (and such termination of this Agreement by Seller shall not take effect unless and until the Termination Fee shall have been paid to Purchaser); or

(h) by Seller, if (i) there shall have occurred any changes, effects, events, occurrences, state of facts or developments that, individually or in the aggregate, have had a Purchaser Material Adverse Effect (unless such Purchaser Material Adverse Effect has been cured with no cost to, ongoing obligations of or impact on Seller), (ii) the representations and warranties of Purchaser set forth in this Agreement shall not be true and correct on and as of the date of such determination as if made on such date and such failure to be true and correct would give rise to a failure of a condition set forth in Section 7.2(a), or (iii) Purchaser shall have breached or failed to perform or comply with any obligation, agreement or covenant required by this Agreement to be performed or complied with by it and such breach or failure to perform or comply would give rise to a failure of a condition set forth in Section 7.2(b), if in each case under clauses (ii) and (iii) such inaccuracy, breach or failure perform or comply cannot be cured or has not been cured within fifteen (15) Business Days after Purchaser receives notice thereof.

Section 10.2. Effect of Termination.

In the event of the termination of this Agreement pursuant to Section 10.1, this Agreement shall forthwith become void, and there shall be no Liability under this Agreement on the part of any party hereto except that the provisions of Section 10.1, this Section 10.2, Section 10.3 and Article XI shall survive any such termination, except (a) Seller may have liability as provided in Section 10.3 and (b) subject to the provisions of Section 11.10, nothing shall relieve any party from Liability for willful breach of this Agreement or fraud.

Section 10.3. Fees and Expenses.

(a) Except as otherwise set forth in this Section 10.3, each party shall be responsible for all legal, accounting, investment banking and other expenses incurred by such party or on behalf of such party in connection with this Agreement and the transactions contemplated hereby, whether or not the transactions contemplated hereby are consummated.

(b) In the event this Agreement shall be terminated:

(i) (A) by Purchaser or Seller pursuant to Section 10.1(b) or Section 10.1(d) or by Purchaser pursuant to Section 10.1(f) and (B) an Acquisition Proposal shall have been publicly announced prior to the Termination Date (in the event of a termination pursuant to Section 10.1(b) or Section 10.1(f)) or prior to the Seller Stockholders' Meeting (in the event of termination pursuant to Section 10.1(d)) and (C) concurrently with such termination or within six (6) months following the Termination Date, Seller

or the Company enters into a definitive Contract to consummate or consummates any Acquisition Proposal;

(ii) by Purchaser pursuant to Section 10.1(e); or

(iii) by Seller pursuant to Section 10.1(g);

then Seller shall pay as directed by Purchaser the Termination Fee, by wire transfer of immediately available funds, it being understood that in no event shall Seller be required to pay the Termination Fee on more than one occasion. For purposes of this Agreement, “**Termination Fee**” shall mean an amount equal to Two Million Five Hundred Thousand Dollars (\$2,500,000); provided, however, that any amount of Purchaser Expenses paid pursuant to Section 10.3(c) shall be credited dollar for dollar against any obligation of the Company to pay the Termination Fee. If the Termination Fee becomes payable pursuant to Section 10.3(b)(i), it shall be paid no later than three (3) Business Days after the consummation of the Acquisition Proposal described in clause (C) of Section 10.3(b)(i). If the Termination Fee becomes payable pursuant to Section 10.3(b)(ii), it shall be paid no later than (3) Business Days after the applicable Termination Date. If the Termination Fee becomes payable pursuant to Section 10.3(b)(iii), it shall be paid concurrently with the termination of this Agreement by Seller.

(c) If this Agreement is terminated (i) by either Purchaser or Seller pursuant to Section 10.1(d) or (ii) by Purchaser pursuant to clauses (iii) or (iv) of Section 10.1(f), Seller shall promptly reimburse Purchaser for its documented and reasonable Purchaser Expenses; provided, however, that in no event shall the Purchaser Expenses exceed five hundred thousand dollars (\$500,000). “**Purchaser Expenses**” shall mean all out-of-pocket costs and expenses incurred by Purchaser, or on behalf of Purchaser or its Affiliates, in connection with this Agreement and the transactions contemplated hereby (including all out-of-pocket fees and expenses of outside counsel, outside accountants, investment bankers, outside financing sources, hedging counterparties, outside experts and outside consultants).

(d) Seller acknowledges that the agreements contained in this Section 10.3 are an integral part of the transactions contemplated hereby, and that without these agreements Purchaser would not enter into this Agreement. Accordingly, if Seller fails to timely pay any amount due pursuant to this Section 10.3, and, in order to obtain the payment(s), Purchaser commences a suit which results in a final, non-appealable judgment against Seller for the payment(s) set forth in this Section 10.3, Seller shall pay Purchaser its reasonable and documented costs and expenses (including reasonable and documented attorneys’ fees) in connection with such suit, together with interest on such amount at the prime rate of Bank of America, N.A. in effect on the date such payment was required to be made through the date such payment was actually received.

(e) Without limiting Purchaser’s rights under Section 11.10, and except in the event of willful breach of this Agreement or fraud by Seller, (i) Purchaser’s right to receive payment from Seller of (A) the Termination Fee pursuant to Section 10.3(b) and (B) the Purchaser Expenses pursuant to Section 10.3(c) shall be the sole and exclusive remedy of Purchaser against Seller for any Damages suffered as a result of the failure of the transactions contemplated hereby to be consummated or for a breach or failure to perform hereunder or otherwise, and (ii) upon payment of such amount(s), Seller shall not have any further Liability relating to or arising out of this Agreement or the transactions contemplated hereby (except that Seller shall also be obligated with respect to Section 10.3(d)).

(f) Purchaser agrees that if this Agreement shall be terminated by the Seller pursuant to Section 10.1(h), then Purchaser shall pay as directed by Seller the Purchaser Termination Fee, by wire transfer of immediately available funds within two business days after the date of the event giving rise to the obligation to make such payment. For purposes of this Agreement, the Purchaser Termination Fee shall be an amount equal to Two Million Five Hundred Thousand Dollars (\$2,500,000) (the “**Purchaser Termination Fee**”).

(g) Notwithstanding anything to the contrary in this Agreement, the Seller's right to receive the Purchaser Termination Fee pursuant to Section 10.3(f) shall be the exclusive remedy of the Seller against Purchaser or any of its Affiliates, stockholders, partners, members, directors, officers, agents or Representatives for any loss suffered as a result of the breach of this Agreement by Purchaser for the failure of the transactions contemplated hereby to be consummated and, upon payment of the Purchaser Termination Fee pursuant to Section 10.3(f), neither Purchaser nor any of its Affiliates, stockholders, partners, members, directors, officers, agents or Representatives shall have any further liability or obligation relating to or arising out of this Agreement or the transactions contemplated thereto.

ARTICLE XI. MISCELLANEOUS PROVISIONS

Section 11.1. Notices.

All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when delivered personally to the recipient, (b) when sent to the recipient by telecopy (receipt electronically confirmed by sender’s telecopy machine) if during normal business hours of the recipient, otherwise on the next Business Day, (c) one (1) Business Day after the date when sent to the recipient by reputable express courier service (charges prepaid), or (d) seven (7) Business Days after the date when mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Such notices, demands and other communications shall be sent to Seller and to Purchaser at the addresses indicated below:

If to Seller: BNS Holding, Inc.
61 E. Main Street, Suite B
Los Gatos, CA 95301

With a copy to: Olshan Grundman Frome Rosenzweig & Wolosky LLP
Park Avenue Tower
65 East 55th Street
New York, NY 10022
Attn: Adam W. Finerman, Esq.
Facsimile No. (212)451-2222

If to Purchaser: Vehicle Acquisition, Inc.
c/o National Registered Agents
160 Greentree Drive, Suite 101
Dover, DE 19904

With a copy to: Patton Boggs LLP
2550 M Street NW
Washington, DC 20037
Attn: Terrance L. Bessey, Esq.
Facsimile No. (202)457-6482

or to such other address as either party hereto may, from time to time, designate in writing delivered pursuant to the terms of this Section 11.1.

Section 11.2. Amendments.

The terms, provisions and conditions of this Agreement may not be changed, modified or amended in any manner except by an instrument in writing duly executed by each of the parties hereto; provided, however, that following receipt of the Seller Stockholder Approval, there shall be no change, modification or amendment to the provisions hereof which by Law would require further approval by the stockholders of Seller without such approval.

Section 11.3. Assignment and Parties in Interest.

(a) Neither this Agreement nor any of the rights, duties, or obligations of any party hereunder may be assigned or delegated by Seller or Purchaser except with the prior written consent of Seller or Purchaser, as applicable; provided, however, that prior to or after the Closing, Purchaser may (i) assign all of its rights hereunder to any Affiliate of Purchaser, and (ii) make a collateral assignment of its rights hereunder, provided that no such assignment shall relieve Purchaser of its obligations hereunder.

(b) This Agreement shall not confer any rights or remedies upon any person or entity other than the parties hereto and their respective permitted successors and assigns.

Section 11.4. Entire Agreement.

This Agreement and the other Transaction Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof, supersede and are in full substitution for any and all prior agreements and understandings among them relating to such subject matter, and no party shall be liable or bound to the other parties hereto in any manner with respect to such subject matter by any warranties, representations, indemnities, covenants, or agreements except as specifically set forth herein or therein. The Exhibits and Schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement. Any disclosure set forth on any Schedule to this Agreement shall be deemed disclosed on all other Schedules where the nature of such disclosure makes it reasonably apparent that such disclosure would be appropriate disclosure on such other Schedule(s).

Section 11.5. Descriptive Headings.

The descriptive headings of the several sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 11.6. Counterparts.

For the convenience of the parties, any number of counterparts of this Agreement may be executed by any one or more parties hereto, and each such executed counterpart shall be, and shall be deemed to be, an original, but all of which shall constitute, and shall be deemed to constitute, in the aggregate but one and the same instrument.

Section 11.7. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the Laws of the State of New York applicable to contracts made and performed therein without regard to any principles of conflicts of law that would require the application of the Laws of a different state.

(b) Any legal action or proceeding with respect to this Agreement shall be brought in the courts of the State of New York or of the United States of America for the State of New York, and, by execution and delivery of this Agreement, the parties hereto hereby accept for themselves and in respect of their property the jurisdiction of the aforesaid courts in connection with any such action or proceeding. The parties hereto hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens*, which any of them may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions.

(c) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT.

Section 11.8. Construction.

The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party. Any references to any federal, state, local or foreign statute or Law will also refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Unless the context otherwise requires: (a) a term has the meaning assigned to it by this Agreement; (b) including means “including without limitation;” (c) “or” is disjunctive but not exclusive; (d) words in the singular include the plural, and in the plural include the singular; and (e) “\$” means the currency of the United States of America.

Section 11.9. Severability.

In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by Law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

Section 11.10. Specific Performance.

Subject to Article X, the parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that money damages may not be an adequate remedy therefor. It is accordingly agreed that the parties hereto shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement by the other party and to seek to enforce specifically the terms and provisions of this Agreement against the other party without bond or other security being required, this being in addition to any other remedy to which it is entitled at Law or in equity.

ANNEX B



January 25, 2010

The Board of Directors
BNS Holding, Inc.
61 E. Main Street, Suite B
Los Gatos, CA 95031

Gentlemen:

We have been advised that BNS Holding, Inc. (the "Company") intends to enter into a Stock Purchase Agreement (the "SPA"), between the Company and Vehicle Acquisition, Inc.. ("Buyer") whereby the Company will sell to Buyer the 26,400 shares of the issued and outstanding common stock, par value of \$0.001 per share, of Collins I Holding Corp. ("Collins") owned by the Company (the "Transaction") for a cash payment of \$64,918,000 (the "Purchase Price"). In addition, we have been advised that Buyer concurrently intends to enter into a Support Agreement (the "Support Agreement") with Steel Partners II, L.P, the Company's majority stockholder ("Steel II") and Steel Partners Holdings, L.P. (collectively with Steel II, "Steel Partners"), whereby Steel Partners II has agreed to vote all shares of the Company's common stock that it beneficially owns in favor of the transactions contemplated by the SPA. Hereinafter all Company stockholders other than Steel Partners are referred to as "Unaffiliated Stockholders."

Further, we have been advised that in connection with the Transaction, the Company will pay Steel Partners a \$1,000,000 cash fee.

Capitalized terms used herein, but not defined herein, shall have the meanings ascribed to them in the SPA and Support Agreement (collectively, the "Transaction Documents"). The terms and conditions of the Transaction and the other actions contemplated are more specifically set forth in the Transaction Documents.

Ladenburg is a full service investment bank providing investment banking, brokerage, equity research, institutional sales and trading, and asset management services. In the ordinary course of business, Ladenburg, certain of our affiliates, as well as investment funds in which we or our affiliates may have financial interests, may acquire, hold or sell long or short positions, or trade or otherwise effect transactions in debt, equity, and other securities and financial instruments (including bank loans and other obligations) of, or investments in, the Company, Buyer, Collins, Steel Partners or any other party that may be involved in the Transaction and/or their respective affiliates.

LADENBURG THALMANN & CO. INC.
4400 Biscayne Boulevard, 14th Floor
Miami, FL 33137
Phone 305.572.4200 • Fax 305.572.4220



MEMBER NYSE NYSE Amex, FINRA SIPC

We have been retained to render an opinion as to whether, on the date of such opinion, the Purchase Price to be received by the Company in the Transaction is fair, from a financial point of view, to the Company's Unaffiliated Stockholders.

Our opinion does not address any other term or aspect of the Transaction or the Transaction Documents, including, but not limited to, the fairness of the Transaction to, or any consideration therewith by, any other stockholders, creditors or other constituencies nor as to the fairness of the amount or nature of the compensation to any officers, directors or employees of any parties to the Transaction, or class of such persons, relative to the Purchase Price to be received by the Unaffiliated Stockholders, or otherwise. We do not express any opinion as to the underlying valuation or future performance of the Company or Collins, or the price at which the Company's or Collins' securities might trade at any time in the future.

We have not been requested to opine as to, and our opinion does not address, the relative merits of the Transaction as compared to any alternative business strategy that might exist for the Company, the decision of whether the Company should complete the Transaction, and other alternatives to the Transaction that might exist for the Company. The financial and other terms of the Transaction were determined pursuant to negotiations by and among the Company, Buyer, Collins and Steel Partners and each of their respective advisors, and not pursuant to any recommendation from us.

In arriving at our opinion, we took into account an assessment of general economic, market and financial conditions as well as our experience in connection with similar transactions and securities valuations generally and, among other things:

- Reviewed a draft of the SPA dated as of January 22, 2010.
- Reviewed a draft of the Support Agreement dated as of January 22, 2010.
- Reviewed non-public information and other data with respect to Collins, including audited financial statements for the four years ended October 31, 2008, unaudited draft financial statements for the year ended October 31, 2009, financial projections for the three year period ending October 31, 2012 (the "Projections"), and other internal financial information and management reports.
- Reviewed the Company's pro forma post-Transaction balance sheet.
- Reviewed Collins' current stockholder ownership.
- Considered the historical financial results and present financial condition of Collins.
- Reviewed and analyzed Collins' projected unlevered free cash flows derived from the Projections and prepared a discounted cash flow analysis.
- Reviewed and analyzed certain financial characteristics of publicly-traded companies that were deemed to have characteristics comparable to Collins.
- Reviewed and analyzed certain financial characteristics of target companies in transactions where such target company was deemed to have characteristics comparable to that of Collins.
- Reviewed and discussed with the Company's and Collins' management and other Company and Collins representatives certain financial and operating information

furnished by them, including financial analyses and the Projections with respect to Collins' business and operations.

- Performed such other analyses and examinations as were deemed appropriate.

In arriving at our opinion, with your consent, we have relied upon and assumed, without assuming any responsibility for independent verification, the accuracy and completeness of all of the financial and other information that was supplied or otherwise made available to us and we have further relied upon the assurances of the Company's and Collins' management that they were not aware of any facts or circumstances that would make any such information inaccurate or misleading. With respect to the financial information and the Projections reviewed, we assumed that such information was reasonably prepared on a basis reflecting the best currently available estimates and judgments, and that such information provides a reasonable basis upon which we could make our analysis and form an opinion. We have not evaluated the solvency or fair value of the Company or Collins', including without limitation any actuarial analyses, under any applicable foreign, state or federal laws relating to bankruptcy, insolvency or similar matters. We have not physically inspected the Company's or Collins' properties and facilities and have not made or obtained any evaluations or appraisals of the Company's or Collins' assets and liabilities (including any contingent, derivative or off-balance-sheet assets and liabilities). We have not attempted to confirm whether the Company, Buyer, Collins or Steel Partners have good title to their respective assets.

We assumed that the Transaction will be consummated in a manner that complies in all respects with applicable foreign, federal, state and local laws, rules and regulations. We have assumed, with your consent, that the final executed forms of the Transaction Documents will not differ in any material respect from the drafts we have reviewed and that the Transaction will be consummated on the terms set forth in the Transaction Documents, without further amendments thereto, and without waiver by the Company of conditions to any of its obligations thereunder or in the alternative that any such amendments or waivers thereto will not be detrimental to the Company or the Unaffiliated Stockholders in any material respect. We also have assumed, with your consent, that obtaining the necessary regulatory or third party approvals and consents for the Transaction will not have an adverse effect on the Company or Collins or the Transaction. We have also assumed that the representations and warranties of the parties thereto contained in the Transaction Documents are true and correct and that each such party will perform all of the covenants and agreements to be performed by it under the Transaction Documents. At your direction, we have not been asked to, nor do we, offer any opinion as to the contractual terms of the Transaction Documents or the prospect that the conditions set forth in the Transaction Documents will be satisfied.

Our analysis and opinion are necessarily based upon market, economic and other conditions, as they exist on, and could be evaluated as of, January 25, 2010. Accordingly, although subsequent developments may affect our opinion, we do not assume any obligation to update, review or reaffirm our opinion to you or any other person.

Our opinion is for the use and benefit of the Board of Directors of the Company in connection with its consideration of the Transaction. Our opinion may not be used by any other person, including the stockholders, noteholders, lenders or creditors of the Company or for any other

The Board of Directors
BNS Holding, Inc.
January 25, 2010
Page 4 of 4

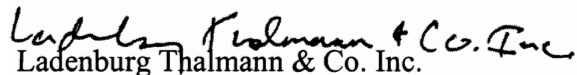
purpose without our prior written consent. Our opinion is not intended to and does not constitute an opinion or recommendation to any of the Company's stockholders as to how such stockholders should vote or act with respect to the Transaction, should a vote of such stockholders be required, or any matter relating thereto. Our opinion should not be construed as creating any fiduciary duty on our part to any party to the Transaction Documents or any other person.

In connection with our services, and pursuant to that certain Fairness Opinion Agreement between Ladenburg and the Board of Directors of the Company dated November 30, 2009 (the "Ladenburg Engagement Agreement"), we have received a retainer and are entitled to receive the balance of our fee, which is not contingent upon the completion of the Transaction, when we deliver our opinion. Also, pursuant to the Ladenburg Engagement Agreement, the Company has agreed to indemnify us for certain liabilities that may arise out of the rendering of this opinion. During the past two years Ladenburg has not provided any other services to the Company or any other party to the Transaction. Ladenburg may provide certain valuation services to affiliates of Steel Partners in the future.

Under our policies and procedures, a fairness committee did not approve or issue this opinion and was not required to do so.

Based upon and subject to the foregoing, it is our opinion that, as of the date of this letter, the Purchase Price to be received by the Company in the Transaction is fair, from a financial point of view, to the Company's Unaffiliated Stockholders.

Very truly yours,


Ladenburg Thalmann & Co. Inc.

ANNEX C

SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT (this “Agreement”), dated as of January 26, 2010, is entered into by and between Vehicle Acquisition, Inc., a Delaware corporation (“Purchaser”), and Steel Partners Holdings L.P., a Delaware limited partnership (“Stockholder”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement (as defined below).

RECITALS

WHEREAS, pursuant to the Stock Purchase Agreement (the “Purchase Agreement”), dated as of the date hereof, by and between Purchaser and BNS Holding, Inc. (“Seller”), a Delaware corporation, Purchaser will purchase from Seller 26,400 shares of the issued and outstanding common stock (the “Transaction”) of Collins I Holding Corp., a Delaware corporation (the “Company”);

WHEREAS, as of the date hereof, Stockholder is the record and beneficial owner of 1,510,064 shares of common stock (“Seller Stock”), par value \$0.01 per share, of Seller (such shares of Seller Stock (excluding options to acquire shares of Seller Stock but including shares of Seller Stock acquired upon exercise thereof), together with any other shares of Seller Stock (excluding options to acquire shares of Seller Stock but including shares of Seller Stock acquired upon exercise thereof) acquired by Stockholder after the date hereof, being collectively referred to herein as the “Stockholder Shares”); and

WHEREAS, as a condition to its willingness to enter into the Purchase Agreement, Purchaser has required that Stockholder enter into this Agreement and, in order to induce Purchaser to enter into the Purchase Agreement, Stockholder is willing to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and pursuant to the Purchase Agreement, Stockholder and Purchaser hereby agree as follows:

1. Representations and Warranties of Stockholder. Stockholder hereby represents and warrants to Purchaser as follows:

(a) Authority. Stockholder has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance by Stockholder of this Agreement and the transactions contemplated hereby have been duly authorized and approved by all necessary action on the part of Stockholder and no further action on the part of Stockholder is necessary to authorize the execution and delivery by Stockholder of this Agreement or the performance by Stockholder of its obligations hereunder. This Agreement has been duly executed and delivered by Stockholder and, assuming due and valid authorization, execution and delivery hereof by Purchaser, constitutes a valid and binding obligation of Stockholder, enforceable against Stockholder in accordance with its terms,

except that such enforceability (i) may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws of general application affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity, whether considered in a proceeding at Law or in equity.

(b) Consents and Approvals; No Violations. No consents or approvals of, or filings, declarations or registrations with, any Governmental Agency are necessary for the performance by Stockholder of its obligations under this Agreement, other than such consents, approvals, filings, declarations or registrations that have been obtained as of the date hereof or, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to prevent or materially delay the performance by Stockholder of any of its obligations under this Agreement. Neither the execution and delivery of this Agreement by Stockholder nor the performance by Stockholder of its obligations hereunder will (i) violate any Law or Order applicable to such Stockholder, or (ii) require the consent or other action by any Person under, constitute default under or result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the properties or assets of, Stockholder under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, permit, lease, agreement or other instrument or obligation to which Stockholder is a party, or by which its assets may be bound or affected, except for such violations, conflicts, losses, defaults, terminations, cancellations, accelerations or Liens as would not, individually or in the aggregate, reasonably be expected to prevent or delay the performance by Stockholder of any of its obligations under this Agreement.

(c) Ownership of Shares. Stockholder owns, beneficially and of record, all of the Stockholder Shares free and clear of any proxy, voting restriction, adverse claim or other Lien (other than proxies and restrictions in favor of Purchaser pursuant to this Agreement and except for such transfer restrictions of general applicability as may be provided under the Securities Act and the "blue sky" Laws of the various states of the United States). Without limiting the foregoing, except for proxies and restrictions in favor of Purchaser pursuant to this Agreement and except for such transfer restrictions of general applicability as may be provided under the Securities Act and the "blue sky" Laws of the various states of the United States, Stockholder has sole voting power and sole power of disposition with respect to all Stockholder Shares, with no restrictions on Stockholder's rights of voting or disposition pertaining thereto and no Person other than Stockholder has any right to direct or approve the voting or disposition of any Stockholder Shares. As of the date hereof, except as set forth on Schedule 1.1(c), Stockholder does not own, beneficially or of record, or have the right to acquire, any securities of Seller other than the Stockholder Shares.

(d) Brokers. Except with respect to Seller's engagement of Ladenburg Thalmann & Co. Inc. as its financial advisor in connection with the Transaction, Stockholder has not engaged, directly or indirectly, any broker, investment banker, financial advisor or other Person who is entitled to any broker's, finder's, financial advisor's or other similar fee or commission that is payable by the Company, Purchaser or any of their respective Subsidiaries in connection with the transactions contemplated by the Purchase Agreement.

(e) Reliance by Purchaser. Stockholder understands and acknowledges that Purchaser is entering into the Purchase Agreement in reliance upon Stockholder's execution and delivery of this Agreement.

2. Additional Covenants of the Stockholder. Subject to Section 4(a), Stockholder hereby covenants and agrees that:

(a) Voting. From the date hereof until any termination of this Agreement in accordance with its terms, at any meeting of the stockholders of Seller however called (or any action by written consent in lieu of a meeting) or any adjournment thereof, Stockholder shall vote all Stockholder Shares or, as appropriate, execute written consents in respect thereof, (i) in favor of the approval of the Purchase Agreement and the transactions contemplated thereby, (ii) against any action or agreement (including, without limitation, any amendment of any agreement) that would result in a breach of any representation, warranty, covenant, agreement or other obligation of Seller in the Purchase Agreement, (iii) against any Acquisition Proposal and (iv) against any agreement (including, without limitation, any amendment of any agreement), amendment of the Charter Documents or the certificate or incorporation or bylaws of Seller or other action that is intended or could reasonably be expected to prevent, impede, interfere with, delay, postpone or discourage the consummation of the transactions contemplated by the Purchase Agreement. Any such vote shall be cast (or consent shall be given) by Stockholder in accordance with such procedures relating thereto so as to ensure that it is duly counted, including for purposes of determining that a quorum is present and for purposes of recording the results of such vote or consent.

(b) Proxy. In order to secure the performance of such Stockholder's obligations under this Agreement, by entering into this Agreement, such Stockholder hereby irrevocably (subject to the terms of the immediately following sentence) grants a proxy appointing each executive officer of Purchaser as such Stockholder's attorney-in-fact and proxy, with full power of substitution, for and in its name, to vote, express consent or dissent, or otherwise utilize such voting power solely in the manner contemplated by Section 2(a) as such attorney-in-fact and proxy, in its or her sole discretion, deems proper with respect to such Stockholder Shares. The proxy granted by such Stockholder pursuant to this Section 2(b) shall be revoked upon the earlier of (i) termination of this Agreement in accordance with its terms and the provisions of Section 212(e) of the DGCL or (ii) consummation of the transactions contemplated by the Purchase Agreement. Such Stockholder hereby revokes any and all previous proxies granted with respect to the Stockholder Shares for any matters covered by Section 2(a).

(c) Restriction on Transfer; Proxies; Non-Interference. From the date hereof until the earlier to occur of (i) the record date set in connection with the Seller Stockholders' Meeting or (ii) any termination of this Agreement in accordance with its terms, except as provided hereunder or under the Purchase Agreement and except for the exercise of any options to purchase shares of Seller Stock (but not the sale of the underlying shares of Seller Stock), such Stockholder shall not, directly or indirectly, (i) sell, transfer (including by operation of Law), give, pledge, encumber, assign or otherwise dispose of (including, without limitation, any Constructive Disposition (as defined below)), or enter into any Contract, option or other arrangement or understanding with respect to the sale, transfer, gift, pledge, encumbrance, assignment or other disposition of, any Stockholder Shares (or any right, title or interest thereto

or therein) except if the recipient of such sale, transfer, gift, pledge, encumbrance, assignment or other disposition is subject to Section 2(a) and (b) hereof, (ii) deposit any Stockholder Shares into a voting trust or grant any proxies or enter into a voting agreement, power of attorney or voting trust with respect to any Stockholder Shares with respect to any matters covered by Section 2(a), (iii) take any action that would make any representation or warranty of Stockholder set forth in this Agreement untrue or incorrect in any material respect or have the effect of preventing, disabling or delaying Stockholder from performing any of its obligations under this Agreement or (iv) agree (whether or not in writing) to take any of the actions referred to in the foregoing clauses (i), (ii) or (iii) of this Section 2(c). As used herein, the term “Constructive Disposition” means, with respect to any Stockholder Shares, a short sale with respect to such security, entering into or acquiring an offsetting derivative contract with respect to such security, entering into or acquiring a futures or forward contract to deliver such security or entering into any other hedging or other derivative transaction that has the effect of materially changing the economic benefits and risks of ownership. Any attempted transfer of the Stockholder Shares or any interest therein in violation of this Section 2(c) shall be null and void. In furtherance of this Agreement, Stockholder shall and hereby does authorize Seller’s and Purchaser’s counsel to notify Seller’s transfer agent that there is a stop transfer restriction with respect to all of the Stockholder Shares (and that this Agreement places limits on the voting and transfer of the Stockholder Shares); provided, however, that any such stop transfer restriction shall terminate upon the termination of this Agreement in accordance with its terms and, upon such event, Purchaser shall notify Seller’s transfer agent of such termination.

(d) No Solicitation. Subject to Section 4(a), Stockholder acknowledges and agrees that it has reviewed and understands Section 5.6 of the Purchase Agreement and hereby agrees from the date hereof until the termination of this Agreement that it shall be bound by Section 5.6 of the Purchase Agreement to the same extent as if Stockholder were bound by Seller’s obligations thereunder.

(e) Stockholder agrees that, for a period of three (3) years following the Closing Date, it shall not solicit or induce the employment or services of or hire any employee of Purchaser, the Company or its Subsidiaries or any employee providing services to the Business without the prior written consent of Purchaser; provided, however, that general solicitations to the public not directed at such employees shall not be deemed a violation of this Section 3(e).

3. Termination. This Agreement shall terminate on the first to occur of (a) the termination of the Purchase Agreement in accordance with its terms and (b) the Closing. Notwithstanding the foregoing, (i) nothing herein shall relieve any party from liability for fraud or any willful breach of this Agreement and (ii) the provisions of this Section 3, Section 4 and Section 1 of this Agreement, shall survive any termination of this Agreement.

4. Miscellaneous.

(a) Action in Stockholder Capacity Only. The parties acknowledge that this Agreement is entered into by Stockholder in its capacity as owner of the Stockholder Shares and that nothing in this Agreement shall in any way restrict or limit any director or officer of Seller (including, without limitation, any director or officer of Stockholder) from taking any action in its or her capacity as a director or officer of Seller that he or she, in good faith, reasonably

believes is necessary for him or her to comply with its or her fiduciary duties as a director or officer of Seller, including, without limitation, participating in his or her capacity as a director of Seller in any discussions or negotiations of the Purchase Agreement or any other actions, discussions or negotiations permitted under Section 5.6 of the Purchase Agreement, and no such action taken (or omitted to be taken) by any such Person in any such capacity shall be deemed to constitute a breach of or a default under any provision of this Agreement. Purchaser acknowledges that Stockholder cannot bind Seller in connection with any matter contemplated hereby, and is not so binding Seller hereunder, without the express written authorization of Seller's Board of Directors.

(b) Expenses. All costs and expenses incurred in connection with the transactions contemplated by this Agreement shall be paid by the party incurring such costs and expenses.

(c) Additional Shares. Until any termination of this Agreement in accordance with its terms, Stockholder shall promptly notify Purchaser of the number of shares of Seller Stock, if any, as to which Stockholder acquires record or beneficial ownership after the date hereof. Any shares of Seller Stock as to which Stockholder acquires record or beneficial ownership after the date hereof and prior to termination of this Agreement shall be Stockholder Shares for purposes of this Agreement. Without limiting the foregoing, in the event of any stock split, stock dividend or other change in the capital structure of Seller affecting the Seller Stock, the number of shares of Seller Stock constituting Stockholder Shares shall be adjusted appropriately and this Agreement and the obligations hereunder shall attach to any additional shares of Seller Stock or other voting securities of Seller issued to Stockholder in connection therewith.

(d) Definition of "Beneficial Ownership." For purposes of this Agreement, "beneficial ownership" with respect to (or to "own beneficially") any securities shall mean having "beneficial ownership" of such securities (as determined pursuant to Rule 13d-3 under the Exchange Act), including pursuant to any agreement, arrangement or understanding, whether or not in writing.

(e) Further Assurances. From time to time, at the request of Purchaser and without further consideration, Stockholder shall execute and deliver such additional documents and take all such further action as may be reasonably required to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement.

(f) Amendments; Waiver. This Agreement may not be amended or supplemented, except by a written agreement executed by the parties hereto. Any party to this Agreement may (i) waive any inaccuracies in the representations and warranties of any other party hereto or extend the time for the performance of any of the obligations or acts of any other party hereto or (ii) waive compliance by the other party with any of the agreements contained herein. Notwithstanding the foregoing, no failure or delay by Purchaser in exercising any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right hereunder. Any

agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

(g) **Governing Law; Jurisdiction; Waiver of Jury Trial.**

(i) Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware applicable to contracts made and performed in such state without reference to such state's principles of conflicts of law.

(ii) Any legal action or proceeding with respect to this Agreement shall be brought in the Chancery Court of the State of Delaware or any federal court sitting in the State of Delaware, and, by execution and delivery of this Agreement, the parties hereto hereby accept for themselves and in respect of their property the jurisdiction of the aforesaid courts in connection with any such action or proceeding. The parties hereto hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens*, which any of them may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions. Each party hereby consents to process being served in any such action or proceeding by the mailing of a copy thereof to the address set forth in Section 4(j) hereof and agrees that such service upon receipt shall constitute good and sufficient service of process or notice thereof. Nothing in this Section 4(g) shall affect or eliminate any right to serve process in any other matter permitted by Law.

(iii) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(h) Specific Enforcement. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that money damages may not be an adequate remedy therefor. It is accordingly agreed that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions of this Agreement in the Chancery Court of the State of Delaware or any federal court sitting in the State of Delaware, without bond or other security being required, this being in addition to any other remedy to which they are entitled at Law or in equity.

(i) Entire Agreement; No Third Party Beneficiaries. This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. This Agreement is not intended to and shall not confer upon any Person other than the parties hereto any rights hereunder.

(j) Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given (i) when delivered personally by hand (with written confirmation of receipt), (ii) when sent by facsimile (with written confirmation of transmission),

or (iii) one (1) Business Day following the day sent by overnight courier (with written confirmation of receipt), in each case at the following addresses and facsimile numbers (or to such other address or facsimile number as a party may have specified by notice given to the other parties pursuant to this provision):

If to Purchaser: Vehicle Acquisition, Inc.
c/o National Registered Agents,
Inc.
160 Greentree Drive, Suite 101
Dover, DE 19904

With a copy to: Patton Boggs LLP
2550 M Street NW
Washington, DC 20037
Attn: Terrance L. Bessey, Esq.
Facsimile No. (202) 457-6482

If to Stockholder: Steel Partners Holdings L.P.
590 Madison Avenue, 32nd Floor
New York, New York 10022
Attention: Sanford Antignas
Facsimile:(212) 520-2343

With a copy to: Olshan Grundman Frome
Rosenzweig & Wolosky LLP
Park Avenue Tower
65 East 55th Street
New York, NY 10022
Attn: Adam W. Finerman, Esq.
Facsimile No.: (212) 451-2222

Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving written notice specifying such change to the other parties hereto.

(k) Severability. If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable Law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

(l) Assignment; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Any purported assignment not permitted under this Section 4(l) shall be null and void.

(m) Descriptive Headings. Headings of Sections and subsections of this Agreement are for convenience of the parties only, and shall be given no substantive or interpretive effect whatsoever.

(n) Drafting. The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

(o) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or electronic transmission in portable document format (pdf) shall be as effective as delivery of a manually executed counterpart of this Agreement.

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SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT (this “Agreement”), dated as of January 26, 2010, is entered into by and between Vehicle Acquisition, Inc., a Delaware corporation (“Purchaser”), and Steel Partners II, L.P., a Delaware limited partnership (“Stockholder”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement (as defined below).

RECITALS

WHEREAS, pursuant to the Stock Purchase Agreement (the “Purchase Agreement”), dated as of the date hereof, by and between Purchaser and BNS Holding, Inc. (“Seller”), a Delaware corporation, Purchaser will purchase from Seller 26,400 shares of the issued and outstanding common stock (the “Transaction”) of Collins I Holding Corp., a Delaware corporation (the “Company”);

WHEREAS, as of the date hereof, Stockholder is the record and beneficial owner of 27,400 shares of common stock (“Seller Stock”), par value \$0.01 per share, of Seller (such shares of Seller Stock (excluding options to acquire shares of Seller Stock but including shares of Seller Stock acquired upon exercise thereof), together with any other shares of Seller Stock (excluding options to acquire shares of Seller Stock but including shares of Seller Stock acquired upon exercise thereof) acquired by Stockholder after the date hereof, being collectively referred to herein as the “Stockholder Shares”); and

WHEREAS, as a condition to its willingness to enter into the Purchase Agreement, Purchaser has required that Stockholder enter into this Agreement and, in order to induce Purchaser to enter into the Purchase Agreement, Stockholder is willing to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and pursuant to the Purchase Agreement, Stockholder and Purchaser hereby agree as follows:

5. Representations and Warranties of Stockholder. Stockholder hereby represents and warrants to Purchaser as follows:

(a) Authority. Stockholder has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance by Stockholder of this Agreement and the transactions contemplated hereby have been duly authorized and approved by all necessary action on the part of Stockholder and no further action on the part of Stockholder is necessary to authorize the execution and delivery by Stockholder of this Agreement or the performance by Stockholder of its obligations hereunder. This Agreement has been duly executed and delivered by Stockholder and, assuming due and valid authorization, execution and delivery hereof by Purchaser, constitutes a valid and binding obligation of Stockholder, enforceable against Stockholder in accordance with its terms, except that such enforceability (i) may be limited by bankruptcy, insolvency, fraudulent transfer,

reorganization, moratorium and other similar Laws of general application affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity, whether considered in a proceeding at Law or in equity.

(b) Consents and Approvals; No Violations. No consents or approvals of, or filings, declarations or registrations with, any Governmental Agency are necessary for the performance by Stockholder of its obligations under this Agreement, other than such consents, approvals, filings, declarations or registrations that have been obtained as of the date hereof or, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to prevent or materially delay the performance by Stockholder of any of its obligations under this Agreement. Neither the execution and delivery of this Agreement by Stockholder nor the performance by Stockholder of its obligations hereunder will (i) violate any Law or Order applicable to such Stockholder, or (ii) require the consent or other action by any Person under, constitute default under or result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the properties or assets of, Stockholder under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, permit, lease, agreement or other instrument or obligation to which Stockholder is a party, or by which its assets may be bound or affected, except for such violations, conflicts, losses, defaults, terminations, cancellations, accelerations or Liens as would not, individually or in the aggregate, reasonably be expected to prevent or delay the performance by Stockholder of any of its obligations under this Agreement.

(c) Ownership of Shares. Stockholder owns, beneficially and of record, all of the Stockholder Shares free and clear of any proxy, voting restriction, adverse claim or other Lien (other than proxies and restrictions in favor of Purchaser pursuant to this Agreement and except for such transfer restrictions of general applicability as may be provided under the Securities Act and the "blue sky" Laws of the various states of the United States). Without limiting the foregoing, except for proxies and restrictions in favor of Purchaser pursuant to this Agreement and except for such transfer restrictions of general applicability as may be provided under the Securities Act and the "blue sky" Laws of the various states of the United States, Stockholder has sole voting power and sole power of disposition with respect to all Stockholder Shares, with no restrictions on Stockholder's rights of voting or disposition pertaining thereto and no Person other than Stockholder has any right to direct or approve the voting or disposition of any Stockholder Shares. As of the date hereof, except as set forth on Schedule 1.1(c), Stockholder does not own, beneficially or of record, or have the right to acquire, any securities of Seller other than the Stockholder Shares.

(d) Brokers. Except with respect to Seller's engagement of Ladenburg Thalmann & Co. Inc. as its financial advisor in connection with the Transaction, Stockholder has not engaged, directly or indirectly, any broker, investment banker, financial advisor or other Person who is entitled to any broker's, finder's, financial advisor's or other similar fee or commission that is payable by the Company, Purchaser or any of their respective Subsidiaries in connection with the transactions contemplated by the Purchase Agreement.

(e) Reliance by Purchaser. Stockholder understands and acknowledges that Purchaser is entering into the Purchase Agreement in reliance upon Stockholder's execution and delivery of this Agreement.

6. Additional Covenants of the Stockholder. Subject to Section 4(a), Stockholder hereby covenants and agrees that:

(a) Voting. From the date hereof until any termination of this Agreement in accordance with its terms, at any meeting of the stockholders of Seller however called (or any action by written consent in lieu of a meeting) or any adjournment thereof, Stockholder shall vote all Stockholder Shares or, as appropriate, execute written consents in respect thereof, (i) in favor of the approval of the Purchase Agreement and the transactions contemplated thereby, (ii) against any action or agreement (including, without limitation, any amendment of any agreement) that would result in a breach of any representation, warranty, covenant, agreement or other obligation of Seller in the Purchase Agreement, (iii) against any Acquisition Proposal and (iv) against any agreement (including, without limitation, any amendment of any agreement), amendment of the Charter Documents or the certificate or incorporation or bylaws of Seller or other action that is intended or could reasonably be expected to prevent, impede, interfere with, delay, postpone or discourage the consummation of the transactions contemplated by the Purchase Agreement. Any such vote shall be cast (or consent shall be given) by Stockholder in accordance with such procedures relating thereto so as to ensure that it is duly counted, including for purposes of determining that a quorum is present and for purposes of recording the results of such vote or consent.

(b) Proxy. In order to secure the performance of such Stockholder's obligations under this Agreement, by entering into this Agreement, such Stockholder hereby irrevocably (subject to the terms of the immediately following sentence) grants a proxy appointing each executive officer of Purchaser as such Stockholder's attorney-in-fact and proxy, with full power of substitution, for and in its name, to vote, express consent or dissent, or otherwise utilize such voting power solely in the manner contemplated by Section 2(a) as such attorney-in-fact and proxy, in its or her sole discretion, deems proper with respect to such Stockholder Shares. The proxy granted by such Stockholder pursuant to this Section 2(b) shall be revoked upon the earlier of (i) termination of this Agreement in accordance with its terms and the provisions of Section 212(e) of the DGCL or (ii) consummation of the transactions contemplated by the Purchase Agreement. Such Stockholder hereby revokes any and all previous proxies granted with respect to the Stockholder Shares for any matters covered by Section 2(a).

(c) Restriction on Transfer; Proxies; Non-Interference. From the date hereof until the earlier to occur of (i) the record date set in connection with the Seller Stockholders' Meeting or (ii) any termination of this Agreement in accordance with its terms, except as provided hereunder or under the Purchase Agreement and except for the exercise of any options to purchase shares of Seller Stock (but not the sale of the underlying shares of Seller Stock), such Stockholder shall not, directly or indirectly, (i) sell, transfer (including by operation of Law), give, pledge, encumber, assign or otherwise dispose of (including, without limitation, any Constructive Disposition (as defined below)), or enter into any Contract, option or other arrangement or understanding with respect to the sale, transfer, gift, pledge, encumbrance, assignment or other disposition of, any Stockholder Shares (or any right, title or interest thereto or therein) except if the recipient of such sale, transfer, gift, pledge, encumbrance, assignment or other disposition is subject to Section 2(a) and (b) hereof, (ii) deposit any Stockholder Shares into a voting trust or grant any proxies or enter into a voting agreement, power of attorney or voting trust with respect to any Stockholder Shares with respect to any matters covered by

Section 2(a), (iii) take any action that would make any representation or warranty of Stockholder set forth in this Agreement untrue or incorrect in any material respect or have the effect of preventing, disabling or delaying Stockholder from performing any of its obligations under this Agreement or (iv) agree (whether or not in writing) to take any of the actions referred to in the foregoing clauses (i), (ii) or (iii) of this Section 2(c). As used herein, the term “Constructive Disposition” means, with respect to any Stockholder Shares, a short sale with respect to such security, entering into or acquiring an offsetting derivative contract with respect to such security, entering into or acquiring a futures or forward contract to deliver such security or entering into any other hedging or other derivative transaction that has the effect of materially changing the economic benefits and risks of ownership. Any attempted transfer of the Stockholder Shares or any interest therein in violation of this Section 2(c) shall be null and void. In furtherance of this Agreement, Stockholder shall and hereby does authorize Seller’s and Purchaser’s counsel to notify Seller’s transfer agent that there is a stop transfer restriction with respect to all of the Stockholder Shares (and that this Agreement places limits on the voting and transfer of the Stockholder Shares); provided, however, that any such stop transfer restriction shall terminate upon the termination of this Agreement in accordance with its terms and, upon such event, Purchaser shall notify Seller’s transfer agent of such termination.

(d) No Solicitation. Subject to Section 4(a), Stockholder acknowledges and agrees that it has reviewed and understands Section 5.6 of the Purchase Agreement and hereby agrees from the date hereof until the termination of this Agreement that it shall be bound by Section 5.6 of the Purchase Agreement to the same extent as if Stockholder were bound by Seller’s obligations thereunder.

(e) Stockholder agrees that, for a period of three (3) years following the Closing Date, it shall not solicit or induce the employment or services of or hire any employee of Purchaser, the Company or its Subsidiaries or any employee providing services to the Business without the prior written consent of Purchaser; provided, however, that general solicitations to the public not directed at such employees shall not be deemed a violation of this Section 3(e).

7. Termination. This Agreement shall terminate on the first to occur of (a) the termination of the Purchase Agreement in accordance with its terms and (b) the Closing. Notwithstanding the foregoing, (i) nothing herein shall relieve any party from liability for fraud or any willful breach of this Agreement and (ii) the provisions of this Section 3, Section 4 and Section 1 of this Agreement, shall survive any termination of this Agreement.

8. Miscellaneous.

(a) Action in Stockholder Capacity Only. The parties acknowledge that this Agreement is entered into by Stockholder in its capacity as owner of the Stockholder Shares and that nothing in this Agreement shall in any way restrict or limit any director or officer of Seller (including, without limitation, any director or officer of Stockholder) from taking any action in its or her capacity as a director or officer of Seller that he or she, in good faith, reasonably believes is necessary for him or her to comply with its or her fiduciary duties as a director or officer of Seller, including, without limitation, participating in his or her capacity as a director of Seller in any discussions or negotiations of the Purchase Agreement or any other actions, discussions or negotiations permitted under Section 5.6 of the Purchase Agreement, and no such

action taken (or omitted to be taken) by any such Person in any such capacity shall be deemed to constitute a breach of or a default under any provision of this Agreement. Purchaser acknowledges that Stockholder cannot bind Seller in connection with any matter contemplated hereby, and is not so binding Seller hereunder, without the express written authorization of Seller's Board of Directors.

(b) Expenses. All costs and expenses incurred in connection with the transactions contemplated by this Agreement shall be paid by the party incurring such costs and expenses.

(c) Additional Shares. Until any termination of this Agreement in accordance with its terms, Stockholder shall promptly notify Purchaser of the number of shares of Seller Stock, if any, as to which Stockholder acquires record or beneficial ownership after the date hereof. Any shares of Seller Stock as to which Stockholder acquires record or beneficial ownership after the date hereof and prior to termination of this Agreement shall be Stockholder Shares for purposes of this Agreement. Without limiting the foregoing, in the event of any stock split, stock dividend or other change in the capital structure of Seller affecting the Seller Stock, the number of shares of Seller Stock constituting Stockholder Shares shall be adjusted appropriately and this Agreement and the obligations hereunder shall attach to any additional shares of Seller Stock or other voting securities of Seller issued to Stockholder in connection therewith.

(d) Definition of "Beneficial Ownership." For purposes of this Agreement, "beneficial ownership" with respect to (or to "own beneficially") any securities shall mean having "beneficial ownership" of such securities (as determined pursuant to Rule 13d-3 under the Exchange Act), including pursuant to any agreement, arrangement or understanding, whether or not in writing.

(e) Further Assurances. From time to time, at the request of Purchaser and without further consideration, Stockholder shall execute and deliver such additional documents and take all such further action as may be reasonably required to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement.

(f) Amendments; Waiver. This Agreement may not be amended or supplemented, except by a written agreement executed by the parties hereto. Any party to this Agreement may (i) waive any inaccuracies in the representations and warranties of any other party hereto or extend the time for the performance of any of the obligations or acts of any other party hereto or (ii) waive compliance by the other party with any of the agreements contained herein. Notwithstanding the foregoing, no failure or delay by Purchaser in exercising any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right hereunder. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

(g) Governing Law; Jurisdiction; Waiver of Jury Trial.

(i) Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware applicable to contracts made and performed in such state without reference to such state's principles of conflicts of law.

(ii) Any legal action or proceeding with respect to this Agreement shall be brought in the Chancery Court of the State of Delaware or any federal court sitting in the State of Delaware, and, by execution and delivery of this Agreement, the parties hereto hereby accept for themselves and in respect of their property the jurisdiction of the aforesaid courts in connection with any such action or proceeding. The parties hereto hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens*, which any of them may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions. Each party hereby consents to process being served in any such action or proceeding by the mailing of a copy thereof to the address set forth in Section 4(j) hereof and agrees that such service upon receipt shall constitute good and sufficient service of process or notice thereof. Nothing in this Section 4(g) shall affect or eliminate any right to serve process in any other matter permitted by Law.

(iii) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(h) Specific Enforcement. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that money damages may not be an adequate remedy therefor. It is accordingly agreed that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions of this Agreement in the Chancery Court of the State of Delaware or any federal court sitting in the State of Delaware, without bond or other security being required, this being in addition to any other remedy to which they are entitled at Law or in equity.

(i) Entire Agreement; No Third Party Beneficiaries. This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. This Agreement is not intended to and shall not confer upon any Person other than the parties hereto any rights hereunder.

(j) Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given (i) when delivered personally by hand (with written confirmation of receipt), (ii) when sent by facsimile (with written confirmation of transmission), or (iii) one (1) Business Day following the day sent by overnight courier (with written confirmation of receipt), in each case at the following addresses and facsimile numbers (or to such other address or facsimile number as a party may have specified by notice given to the other parties pursuant to this provision):

If to Purchaser: Vehicle Acquisition, Inc.
c/o National Registered Agents,
Inc.
160 Greentree Drive, Suite 101
Dover, DE 19904

With a copy to: Patton Boggs LLP
2550 M Street NW
Washington, DC 20037
Attn: Terrance L. Bessey, Esq.
Facsimile No. (202) 457-6482

If to Stockholder: Steel Partners II, L.P.
590 Madison Avenue, 32nd Floor
New York, New York 10022
Attention: Sanford Antignas
Facsimile: (212) 520-2343

With a copy to: Olshan Grundman Frome
Rosenzweig & Wolosky LLP
Park Avenue Tower
65 East 55th Street
New York, NY 10022
Attn: Adam W. Finerman, Esq.
Facsimile No.: (212) 451-2222

Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving written notice specifying such change to the other parties hereto.

(k) Severability. If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable Law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

(l) Assignment; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Any purported assignment not permitted under this Section 4(l) shall be null and void.

(m) Descriptive Headings. Headings of Sections and subsections of this Agreement are for convenience of the parties only, and shall be given no substantive or interpretive effect whatsoever.

(n) Drafting. The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

(o) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or electronic transmission in portable document format (pdf) shall be as effective as delivery of a manually executed counterpart of this Agreement.

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