As filed with the Securities and Exchange Commission on February 27, 2004

Registration No. 333-111836

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ACTUANT CORPORATION
(Exact name of Registrant as specified in its charter)

WISCONSIN	36-0168610
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6100 NORTH BAKER ROAD
MILWAUKEE, WI 53209
TELEPHONE: (414) 352-4160
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

ANDREW G. LAMPEREUR
CHIEF FINANCIAL OFFICER
6100 NORTH BAKER ROAD
MILWAUKEE, WI 53209
TELEPHONE: (414) 352-4160
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Helen R. Friedli, P.C.
McDermott, Will & Emery
227 West Monroe Street
Chicago, IL 60606

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:
FROM TIME TO TIME FOLLOWING THE EFFECTIVENESS OF THIS REGISTRATION STATEMENT.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box: |_|

*This Amendment No. 1 is being re-filed soley for the purpose of providing a marked version between Amendment No. 1 and the original filing.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box: |X|

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |-|

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |_|

If delivery of the prospectus is expected to be made pursuant to Rule

434, please check the following box. |_|

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THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SECTION 8(A), MAY DETERMINE.

PLEASE CONFIRM ADDRESSES AND COMPLETE

TABLE OF GUARANTORS

NAME	STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION	I.R.S. EMPLOYER IDENTIFICATION NUMBER	ADDRESS
Applied Power Investments II, Inc.	Nevada	36-3673537	3993 Howard Hughes Pkwy #100 Las Vegas, NV 89109
Engineered Solutions L.P.	Indiana	31-1757546	1217 East 7th Street Mishawaka, IN 46545
GB Tools and Supplies, Inc.	Wisconsin	39-0964876	6100 North Baker Rd. Glendale, WI 53209
Versa Technologies, Inc.	Delaware	39-1143618	5877 S. Pennsylvania Ave. Cudahy, WI 53110 and 6100 North Baker Rd. Glendale, WI 53209

SUBJECT TO COMPLETION DATED FEBRUARY 27, 2004

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED, NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAW OF ANY SUCH STATE.

$150,000,000

ACTUANT CORPORATION

2% CONVERTIBLE SENIOR SUBORDINATED DEBENTURES DUE 2023, RELATED GUARANTEES AND THE COMMON STOCK ISSUABLE UPON CONVERSION OF THE DEBENTURES

THE DEBENTURES

- We issued $150,000,000 aggregate principal amount of our 2% Convertible Senior Subordinated Debenture due 2023 in a private placement on November 10, 2003. This prospectus will be used by selling securityholders to offer and resell debentures and the common stock issuable upon conversion of the

debentures. We will not receive any proceeds from those resales.

- Interest on the debentures accrues from November 10, 2003, payable semi-annually in arrears on May 15 and November 15 of each year, beginning May 15, 2004. The debentures mature on November 15, 2023 although we may redeem all or part of the debentures at our option on or after November 20, 2010 as more fully described in this prospectus.

- Beginning with the six-month interest period commencing November 15, 2010, we will pay contingent interest during a six-month interest period if the trading price of a debenture is above a specified level as described in this prospectus. The debentures will be treated as contingent payment debt instruments that are subject to certain United States federal income tax rules.

- The debentures are jointly and severally guaranteed on an unsecured senior subordinated basis by certain of our existing domestic subsidiaries and may be guaranteed by certain future subsidiaries.

- You may require us to repurchase all or any portion of your debentures on November 15, 2010, November 15, 2013 and November 15, 2018 or at any time prior to maturity upon the occurrence of a designated event (as defined herein), as more fully described in this prospectus.

- Holders may convert the debentures into shares of our common stock at a conversion rate of 25.0563 shares of our common stock per $1,000 principal amount of the debentures (representing a conversion price of approximately $39.91 per share), subject to adjustment, prior to the close of business on the last business day prior to the final maturity date under certain circumstances as described in this prospectus.

- The debentures are our unsecured senior subordinated obligations and the payment of the principal of and interest, including contingent interest, if any, and liquidated damages, if any, on the debentures are subordinated in right of payment to the prior payment in full of our existing and future senior indebtedness, including our obligations under our senior credit facility. The debentures rank equally in right of payment with our existing and future senior subordinated indebtedness and rank senior in right of payment to any of our future subordinated indebtedness. The debentures also rank junior in right of payment to our secured indebtedness (including our obligations under our senior credit facility) to the extent of the underlying collateral.

TRADING

- Our common stock is traded on the New York Stock Exchange under the symbol "ATU." The last reported sale price for our common stock on the New York Stock Exchange on February 26, 2004 was $40.41 per share.

- There is no public market for the debentures and we do not intend to apply for listing of the debentures on any securities exchange or for quotation of the debentures through any automated quotation system. The debentures currently trade in the Private Offerings, Resales and Trading through Automatic Linkages Market, commonly referred to as the PORTAL Market. However, once debentures are sold under this prospectus, those debentures will no longer trade on the PORTAL Market.

INVESTING IN THE DEBENTURES AND OUR COMMON STOCK INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE [17].

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is _____, 2004.

IMPORTANT NOTICE TO READERS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a "shelf" registration process. Under this shelf registration process, the selling securityholders may, from time to time, offer debentures or shares of our common stock owned by them. Each time the selling securityholders offer debentures or common stock under this prospectus, they will provide a copy of this prospectus and, if applicable, a copy of a prospectus supplement. You should read both this prospectus and, if applicable, any prospectus supplement together with the information incorporated by reference in this prospectus and, if applicable, any supplement hereto. See "Where You Can Find More Information" and "Incorporation of Certain Documents by Reference" for more information.

We have not authorized anyone to provide you with information other than the information contained herein or incorporated by reference as set forth under "Incorporation of Certain Documents by Reference". Neither the debentures nor any shares of common stock issuable upon conversion of the debentures are being offered in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus speaks only as of the date of this prospectus and the information in the documents incorporated or deemed to be incorporated by reference in this prospectus speaks only as of the respective dates those documents were filed with the Securities and Exchange Commission (the "SEC").

TABLE OF CONTENTS

Unless otherwise indicated or the context otherwise requires in this prospectus:

- "Actuant," the "Company," "we," "us" and "our" refer to Actuant Corporation and its subsidiaries;

- all references to our "common stock" mean our Class A Common Stock, $0.20 par value per share;
- all references to "SKUs" mean stock keeping units;
- all references to "fiscal year 2003," "fiscal year 2002" and "fiscal

year 2001" refer to our fiscal years ended August 31, 2003, 2002 and 2001, respectively;

- all references to the "November 2003 private placement" refer to our sale of the debentures on November 10, 2003 to qualified institutional investors pursuant to Rule 144A of the Securities Act of 1933, as amended; and

- all references to the number of shares of our common stock and related per share data have been restated to reflect the 2-for-1 stock split that occurred by way of dividend on October 21, 2003.

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SUMMARY

This summary provides an overview of selected information and does not contain all the information you should consider. You should read the entire prospectus, including the section entitled "Risk Factors" and the documents incorporated by reference in this prospectus, carefully before making an investment decision.

We are a diversified global manufacturer and marketer of a broad range of industrial products and systems, organized into two business segments, Tools & Supplies and Engineered Solutions. Tools & Supplies sells branded, specialized electrical and industrial tools and supplies to hydraulic and electrical wholesale tool distributors, to catalog houses and through various retail distribution channels. Engineered Solutions' primary expertise is in designing, manufacturing and marketing customized motion control systems primarily for automotive, recreational vehicle and truck original equipment manufacturers, or OEMs, in diversified niche markets. We believe that our strength in these product categories is the result of the combination of our brand recognition, proprietary engineering and design competencies, a dedicated service philosophy, and global manufacturing and distribution capabilities.

RECENT EVENTS

On February 19, 2004, we entered into a $250 million five-year senior revolving credit facility (the "Revolver"). The Revolver replaced our then existing senior secured credit facility which included an outstanding $30 million term loan and an undrawn $100 million revolving credit facility. The Revolver is not secured by our assets, and provides for guaranties and stock pledges by certain of our significant subsidiaries. Borrowings under the Revolver are subject to a pricing grid, with initial borrowings priced at LIBOR plus 150 basis points, compared to LIBOR plus 200 basis points under the former facility.

The replacement of the senior credit facility will result in a non-cash charge in the second quarter of fiscal 2004 of approximately $2.3 million, $1.5 million net of tax, or approximately $0.06 per diluted share, representing the write-off of the remaining capitalized debt issuance costs associated with the former facility.

OUR ADDRESS

Headquartered in Milwaukee, we are a Wisconsin corporation, incorporated in 1910. Our principal executive offices are located at 6100 North Baker Road, Milwaukee, Wisconsin 53209, and our telephone number at that location is (414) 352-4160. Our website address is www.actuant.com. Until January of 2001, we were named Applied Power Inc.

THE OFFERING

Issuer	Actuant Corporation, a Wisconsin corporation.
Securities Offered	$150,000,000 aggregate principal amount of 2% Convertible Senior Subordinated Debentures due 2023 and shares of our common stock issuable upon conversion of the debentures.
Maturity Date	November 15, 2023, unless earlier redeemed, repurchased or converted.
Interest	2% per annum of the principal amount, accruing from November 10, 2003, payable semi-annually in arrears on May

	15 and November 15 of each year, beginning May 15, 2004.
Contingent Interest	Beginning with the six-month interest period commencing November 15, 2010, we will pay additional, contingent interest during any six-month interest period if the trading price of the debentures for each of the five trading days immediately preceding the first day of the applicable six-month interest period equals or exceeds 120% of the principal amount of the debentures. During any interest period when contingent interest shall be payable, the contingent interest payable per $1,000 principal amount of the debentures will equal 0.25% per six-month interest period of the average trading price of $1,000 principal amount of the debentures during the five trading days immediately preceding the first day of the applicable six-month interest period.
Guarantees	The debentures are fully and unconditionally guaranteed, jointly and severally, on an unsecured senior subordinated basis by certain of our existing domestic subsidiaries and may be guaranteed by certain future subsidiaries. If one of our subsidiaries which is not a subsidiary guarantor of the debentures becomes a guarantor of our 13% senior subordinated notes, that subsidiary will also be required to guarantee the debentures on an unsecured senior subordinated basis. A subsidiary guarantor will be released from its guarantee of the debentures if such subsidiary guarantor ceases to be a guarantor of our 13% senior subordinated notes. All of the guarantees will be released at such time as we no longer have any of our 13% senior subordinated notes outstanding. However, if we issue any other senior subordinated debt or subordinated debt and such senior subordinated debt or subordinated debt is guaranteed by one or more of our subsidiaries, such subsidiaries will also be required to guarantee the debentures on an unsecured senior subordinated basis. We refer to the subsidiaries that guarantee the debentures as the "subsidiary guarantors."
Ranking	The debentures are our unsecured senior subordinated obligations and the payment of the principal of and interest, contingent interest, if any, and liquidated damages, if any, on the debentures is subordinated in right of payment to the prior payment in full of our existing and future "senior indebtedness" (as defined in the indenture pursuant to which the debentures were issued and which includes our obligations under our senior credit facility). The debentures also rank equally in right of payment with our existing and future senior subordinated indebtedness and senior in right of payment to any of our future subordinated indebtedness. The debentures also rank junior in right of payment to our secured indebtedness (including our obligations under our senior credit facility) to the extent of the underlying collateral. At

November 30, 2003, our senior indebtedness, excluding senior indebtedness of our subsidiaries and accrued interest, consisted of $35.0

million of term loans and $4.8 million of letters of credit. We are permitted to borrow up to $250 million of revolving credit loans under our new senior credit facility entered into on February 19, 2004, subject to compliance with covenants and borrowing conditions. The terms "senior indebtedness" and "senior subordinated indebtedness" are defined under the heading "Description of Debentures--Ranking."

The guarantee of the debentures by each subsidiary guarantor is an unsecured senior subordinated obligation of that subsidiary guarantor, and the payment of any and all amounts due under that guarantee is subordinated in right of payment to the prior payment in full of all existing and future senior indebtedness (including obligations under guarantees of our senior credit facility) of that subsidiary guarantor. The guarantee of each subsidiary guarantor ranks equally in right of payment with all existing and future senior subordinated indebtedness of that subsidiary guarantor, including, in the case of the initial subsidiary guarantors, their guarantees of our 13% senior subordinated notes, and senior in right of payment to any future subordinated indebtedness of that subsidiary guarantor. The guarantee of each subsidiary guarantor ranks junior in right of payment to any secured obligations (including its obligations under its guarantee of our senior credit facility) of that subsidiary guarantor to the extent of the underlying collateral. Although the initial subsidiary guarantors had no debt outstanding at November 30, 2003, the initial subsidiary guarantors have guaranteed all borrowings and amounts payable by us under our senior credit facility. Such guarantees rank senior in right of payment to the guarantees of the subsidiary guarantors under the debentures. The initial subsidiary guarantors have also guaranteed our 13% senior subordinated notes, which guarantees rank pari passu in right of payment with their guarantees of the debentures. At November 30, 2003, we had approximately $35.0 million of term loans outstanding under our old senior credit facility, $4.8 million of letters of credit outstanding and $60.8 million of our 13% senior subordinated notes outstanding.

As of November 30, 2004, after taking into account the reduction in the number of guarantors due to the replacement of our senior credit facility with a new credit facility on February 19, 2004, approximately 42% of our consolidated assets were held by subsidiaries that are not guarantors of the debentures. Accordingly, the debentures are effectively subordinated to all existing and future liabilities of these non-guarantor subsidiaries.

Conversion	Holders may convert the debentures into shares of our common stock at a conversion rate of 25.0563 shares of our common stock per $1,000 principal amount of the debentures (representing a conversion price of approximately $39.91 per share), subject to adjustment, prior to the close of business on the last business day prior to the final maturity date only under the following circumstances: o during any fiscal quarter commencing after November 30, 2003, and only during such fiscal quarter, if the closing sale price of our common stock exceeds 120% of the conversion price for at least 20 trading days in the 30 consecutive trading day period ending on the last trading day of the preceding fiscal quarter; or o during any period in which our senior subordinated debt credit rating is below B3 by Moody's Investor Service, Inc. ("Moody's") and below B- by Standard and Poor's or during any period when neither Moody's or Standard and

	Poor's rates our senior subordinated debt. If only one such rating agency rates our senior subordinated debt and such credit rating falls below the level specified above, holders may convert their debentures during the period that the credit rating is below such level. The debentures will cease to be convertible pursuant to this bullet point during any period or periods in which the credit ratings or rating, as the case may be, are at or above such levels; or o if a debenture has been called for redemption and has not yet been redeemed (in which case only the debentures called for redemption and not yet redeemed may be converted), the holder may convert that debenture prior to the close of business on the last business day prior to the redemption date; or o upon the occurrence of specified transactions described under "Description of Debentures--Conversion of the Debentures--Conversion Upon Specified Transactions." The conversion rate may be adjusted under circumstances described under "Description of Debentures--Conversion of the Debentures--Conversion Rate Adjustments", but will not be adjusted for accrued interest or contingent interest, if any, or liquidated damages, if any.
Sinking Fund	None.
Optional Redemption	On or after November 20, 2010, we may redeem for cash all or part of the debentures at any time or from time to time, upon at least 30 days' prior

	notice, at a redemption price equal to 100% of the principal amount of the debentures, plus accrued and unpaid interest, contingent interest, if any, and liquidated damages, if any, up to, but excluding, the redemption date.
Repurchase at the Option of the Holder	Holders may require us to repurchase all or any portion of their debentures for cash on November 15, 2010, November 15, 2013 and November 15, 2018, (each, a "repurchase date") at a repurchase price equal to 100% of the principal amount of the debentures to be repurchased, plus accrued and unpaid interest, contingent interest, if any, and liquidated damages, if any, up to, but excluding, the repurchase date. Additionally, if a designated event (as described under "Description of Debentures--Repurchase of Debentures at a Holder's Option Upon a Designated Event") occurs prior to maturity, holders may require us to repurchase all or part of their debentures for cash at a repurchase price equal to 100% of their principal amount, plus accrued and unpaid interest, contingent interest, if any, and liquidated damages, if any, up to, but excluding, the repurchase date.
Events of Default	If there is an event of default with respect to the debentures, an amount equal to 100% of the principal amount of the debentures, plus accrued and unpaid interest, contingent interest, if any, and liquidated damages, if any, may be declared immediately due and payable. These amounts automatically become due and payable in some circumstances. The following are events of default with respect to the debentures: o default in payment of any principal of the debentures, when the same becomes due and payable;

	o default for 30 days in any payment of any interest, including contingent interest, if any, and liquidated damages, if any, due and payable on the debentures; o default in our obligations to satisfy our conversion obligation upon exercise of a holder's conversion right if such default is not cured as set forth in the indenture; o our indebtedness or indebtedness of any subsidiary guarantor or any of our significant subsidiaries (as defined) is not paid after the final maturity of such indebtedness or is accelerated and the total amount of such indebtedness unpaid or accelerated exceeds $7.5 million; o failure by us to comply with our obligations under "Description of Debentures--Merger and Sale of Assets"; o default in our performance of our covenants described under "Description of Debentures--Repurchase of

	Debentures at a Holder's Option Upon a Designated Event" (other than a failure to repurchase debentures, which would constitute an event of default under some of the provisions described above); o default in the performance by us or any of the subsidiary guarantors of any of our or their other respective covenants in the indenture, the debentures or guarantees for 60 days after written notice to us; o any judgment or decree for the payment of money in excess of $7.5 million is entered against us, any subsidiary guarantor or any significant subsidiary, remains outstanding for a period of 60 days following entry of such judgment and is not discharged, bonded, waived or stayed within 30 days after written notice to us; o a guarantee of any subsidiary guarantor that is a significant subsidiary ceases to be in full force and effect or is declared to be null and void and unenforceable or is found to be invalid or a subsidiary guarantor that is a significant subsidiary denies its liability under its guarantee, provided, however, that an event of default will also be deemed to occur with respect to subsidiary guarantors that are not significant subsidiaries if the guarantees of those subsidiary guarantors cease to be in full force and effect or are declared to be null and void and unenforceable or are found to be invalid or those subsidiary guarantors deny their liabilities under their guarantees and if, when aggregated, those subsidiaries would meet the definition of a significant subsidiary; and o certain events of bankruptcy, insolvency and reorganization of us, any subsidiary guarantor or any of our significant subsidiaries. See "Description of Debentures--Events of Default."
Use of Proceeds	We will not receive any of the proceeds from the sale by the selling securityholders of the debentures or shares of common stock issued upon conversion of the debentures.

Registration Rights	Pursuant to a registration rights agreement that we entered into in connection with the November 2003 private placement, we have filed a shelf registration statement under the Securities Act of 1933 relating to the resale of the debentures and the common stock issuable upon conversion of the debentures. This prospectus constitutes a part of that registration statement. We filed the shelf registration statement solely to permit the resale of debentures issued in the November 2003 private placement and shares of

	common stock issued on conversion of those debentures, and investors who purchase debentures or shares of common stock from selling securityholders in this offering will not be entitled to any registration rights under the registration rights agreement. In addition, under the registration rights agreement, selling securityholders may be required to discontinue the sale or other disposition of debentures and shares of common stock issued upon conversion of the debentures pursuant to the shelf registration statement and to discontinue the use of this prospectus under certain circumstances specified in the registration rights agreement.
United States Federal Income Tax Considerations	Under the indenture governing the debentures, we have agreed, and by acceptance of a beneficial interest in a debenture each holder of a debenture is deemed to have agreed, to treat the debentures as debt instruments subject to the United States federal income tax contingent payment debt regulations. Under such regulations, even if we do not pay any contingent interest on the debentures, a beneficial owner of the debentures who is a U.S. holder, as defined below under "Material United States Federal Income Tax Considerations," will be required to include interest, which we refer to as tax original issue discount, at the rate described below in its gross income for United States federal income tax purposes, regardless of whether such owner uses the cash or accrual method of tax accounting. This imputed interest will accrue at a rate equal to 7.75% per year, computed on a semiannual bond equivalent basis, which represents the yield we would have been required to pay on noncontingent, nonconvertible, fixed-rate debt with terms and conditions otherwise similar to those of the debentures. The rate at which this imputed interest will accrue for United States federal income tax purposes will exceed the stated semiannual regular cash interest payable on the debentures. Each holder of the debentures will recognize gain or loss on the sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of a debenture in an amount equal to the difference between the amount realized, including the fair market value of any common stock received upon conversion, and the holder's adjusted tax basis in the debentures. Any gain recognized by a holder on the sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of a debenture generally will be ordinary interest income; any loss generally will be ordinary loss to the extent of the interest previously included in income, and thereafter, capital loss. Holders should consult their tax advisors as to the United States federal, state, local or other tax consequences of acquiring, owning and disposing of the debentures. See "Material United States Federal Income Tax Considerations."

Trading	There is no public market for the debentures and we do not intend to apply for listing of the debentures on any securities exchange or for quotation of the debentures through any automated quotation system. The debentures currently trade in the PORTAL Market. However, once debentures are sold under this prospectus, those debentures will no longer trade on the PORTAL Market. There is a risk that a trading market for the debentures will not exist or that the trading market for the debentures will not have adequate liquidity.
Book Entry Form	The debentures have been issued in book-entry form and are represented by a permanent global certificate deposited with a custodian for and registered in the name of a nominee of The Depository Trust Company, commonly known as DTC, in New York, New York. Beneficial interests in the debentures are shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants, and any such interests may not be exchanged for certificated debentures, except in limited circumstances.
NYSE Symbol for Common Stock	"ATU"

RISK FACTORS

In addition to the other information contained in this prospectus and the documents incorporated by reference herein, you should carefully consider the following risks before deciding to invest in the debentures or any shares of common stock issued upon conversion of the debentures. If any of the events described below occurs, our business, financial condition or results of operations could be materially harmed. In that case, the value of debentures offered by this prospectus and the common stock issuable conversion of the debentures could decline. We may encounter additional risks other than those disclosed in this prospectus.

RISKS RELATED TO OUR BUSINESS

MARKET DEMAND FOR OUR PRODUCTS MAY SUFFER CYCLICAL DECLINES.

The level of market demand for our products depends on the general economic condition of the markets in which we compete. A substantial portion of our revenues is derived from customers in cyclical industries that typically are adversely affected by downward economic cycles, which may result in lower demand for our products in the affected business segment. For example, we derive significant revenues from sales to original equipment manufacturers ("OEMs") in the heavy-duty truck, recreational vehicle ("RV") and automotive industries and from the construction industry. If consumer confidence declines considerably, it could impact consumer discretionary spending on home, RV and automobile purchases and remodeling projects, which would adversely impact our sales to OEMs serving these consumer markets. Similarly, a terrorist attack or other geopolitical activity such as the events of 9/11 could disrupt demand for our customers' products which would in turn adversely affect demand for our products.

WE MAY BE SUBJECT TO SUBSTANTIAL LIABILITIES AS A RESULT OF OUR SPIN-OFF OF APW LTD. AND THE SUBSEQUENT BANKRUPTCY OF APW LTD.

If we incur substantial liabilities as a result of our spin-off of APW Ltd. and the subsequent bankruptcy of APW Ltd., our debt could significantly increase and our business would be seriously harmed. On July 31, 2000, we effected the spin-off of APW Ltd., a Bermuda company organized to own and operate our former Electronics Business. As a result of the bankruptcy of APW and one of its subsidiaries, which was completed on July 31, 2003, APW was released from its obligation to indemnify us for income tax matters relating to the spin-off and periods prior to the spin-off and we are or may be subject to substantial liabilities of APW. In particular, we remain liable for tax

obligations associated with the spin-off and related corporate restructuring transactions as well as APW's and our potential tax obligations for periods prior to the spin-off. The Internal Revenue Service has commenced an audit of our tax return for fiscal 2000, which was the year in which the spin-off and related corporate restructuring transactions occurred. If any audit adjustments were to result in a tax liability, such liability would be payable by us and not APW. The amount of such additional tax liabilities may be substantial and could have a material adverse effect on our financial condition and results of operations.

On August 6, 2002, we and APW entered into an agreement which provides, among other things, that the right of offset asserted by us with respect to approximately $23.8 million of funds (the "Offset Funds") which we held on behalf of APW is an allowed secured claim which is unimpaired by the APW bankruptcy proceeding; and, further, that we may retain possession of the Offset Funds and may use such Offset Funds to, among other things, reimburse ourselves for certain estimated costs of approximately $4.9 million and any tax adjustments arising from our spin-off of APW. In the event that such costs and adjustments exceed the Offset Funds, we will be responsible for any shortfall, and such excess amount could result in a materially adverse impact upon our financial position and results of operations. Pursuant to the agreement with APW, we will be required to pay an estimated $18 to $19 million of the Offset Funds to APW or other third parties as spin-off related contingencies are resolved. We estimate that these payments will be made sometime during fiscal 2005 although we cannot predict the actual date these payments may in fact be made. The Offset Funds have been recorded in "Other Long-term Liabilities" and totalled $18.9 million as of November 30, 2003.

Prior to the spin-off, we, in the normal course of business, entered into certain real estate and equipment leases or guaranteed such leases on behalf of our subsidiaries, including those in our Electronics Business segment. In conjunction with the spin-off, we assigned our rights in the leases used in the Electronics Business segment to APW, but we were not released as a

responsible party from all such leases by the lessors. As a result, we remain contingently liable for such leases. The total minimum future lease payments for such leases, assuming no offset for sub-leasing, were approximately $24.2 million at November 30, 2003. The future minimum lease payments for these leases are as follows: $4.3 million in calendar 2004; $3.1 million in calendar 2005; $2.4 million in calendar 2006; $2.4 million in calendar 2007; $2.5 million in calendar 2008; and $9.1 million thereafter. The parties, which currently include both subsidiaries of APW and certain former APW subsidiaries that have been acquired by third parties, to these leases have not filed Chapter 11 cases and, as such, none of those leases have been rejected in the bankruptcies noted above. However, we remain contingently liable for those leases if these APW subsidiaries or their successors are unable to fulfill their obligations thereunder. A future breach of these leases by these APW subsidiaries or their successors could require us to make these payments which could adversely affect our financial position and results of operations.

For further information on our potential exposure with respect to the spin-off, APW's tax liabilities and the operating leases described above, see Notes 10 and 16 to the consolidated financial statements contained in our Annual Report on Form 10-K/A for fiscal year 2003, which is incorporated by reference in this prospectus.

AS OF NOVEMBER 30, 2003, WE HAD $253.9 MILLION IN TOTAL DEBT. BECAUSE OF THIS SUBSTANTIAL DEBT, OPERATING FLEXIBILITY AND COMPETITIVE POSITION COULD BE SERIOUSLY HARMED.

As a result of this offering, we will have increased our total debt. We have a substantial amount of debt which will continue to require significant interest and principal payments. Our level of debt and the limitations imposed on us by our debt agreements could adversely affect our operating flexibility and put us at a competitive disadvantage. Our substantial debt level may adversely affect our future performance, because, among other things:

- we will have to use a portion of our cash flow for debt service rather than for operations;
- we may not be able to obtain further debt financing and may have to pay more for financing;
- we may not be able to take advantage of business opportunities;
- some of our indebtedness bears interest at variable interest rates, making us vulnerable to increases in interest rates;
- the terms of our 13% senior subordinated notes and our senior credit

facility require that we apply certain excess cash flow, as defined, to repay specified indebtedness in certain situations; and

- we will be more vulnerable to adverse economic conditions.

Although our debt agreements limit the amount of additional indebtedness that we and our subsidiaries may incur, both we and our subsidiaries nonetheless retain the ability to incur substantial additional indebtedness, including senior indebtedness, and other obligations in the future. As of November 30, 2003, we had approximately $253.9 million of total debt and $4.8 million of letters of credit outstanding, and $98.0 million of unused borrowing capacity under our old senior credit facility available to us, subject to compliance with covenants and borrowing conditions. In addition, as of November 30, 2003, we were a party to operating leases requiring future minimum lease payments aggregating approximately $37.5 million, and were also contingently liable with respect to leases assigned to APW in connection with the spin-off requiring, as of November 30, 2003, aggregate future minimum lease payments of approximately $24.2 million.

OUR ABILITY TO SERVICE OUR OBLIGATIONS UNDER THE DEBENTURES WOULD BE HARMED IF WE FAIL TO COMPLY WITH THE FINANCIAL AND OTHER COVENANTS OF OUR DEBT AGREEMENTS.

Our debt agreements also contain a number of significant financial and other restrictive covenants. These covenants could adversely affect us by limiting our financial and operating flexibility as well as our ability to plan for and react to market conditions and to meet our capital needs. Our failure to comply with these covenants could result in events of default which, if not cured or waived, could result in our being required to repay that indebtedness

before its due date, and we may not have the financial resources or be able to arrange alternative financing to do so. As of November 30, 2003, and on February 19, 2004, which is the date that we replaced our then existing senior credit facility with a new senior credit facility, we were in compliance with all of our covenants under our debt agreements. Borrowings under our new senior credit facility are secured by a pledge of stock by certain of our subsidiaries who also act as guarantors. If borrowings under that credit facility were declared or became due and payable immediately as the result of an event of default and we were unable to repay or refinance those borrowings, the lenders could foreclose on the pledged stock. In addition, our 13% senior subordinated notes may be declared, or may automatically become, due and payable upon the occurrence of specified events of default. Any event that requires us to repay any of our debt before it is due could negatively impact our operating results and our ability to pay amounts due on debentures.

OUR BUSINESS OPERATES IN HIGHLY COMPETITIVE MARKETS, SO WE MAY BE FORCED TO CUT PRICES OR TO INCUR ADDITIONAL COSTS.

Our businesses generally face substantial competition in each of their markets. Competition may force us to cut prices or to incur additional costs to remain competitive. We compete on the basis of product design, quality, availability, performance, customer service and price. Present or future competitors may have greater financial, technical or other resources which could put us at a disadvantage in the affected business or businesses.

OUR INTERNATIONAL OPERATIONS POSE CURRENCY AND OTHER RISKS.

Our international operations present special risks, primarily from currency exchange rate fluctuations, exposure to local economic and political conditions, export and import restrictions, controls on repatriation of cash and exposure to local political conditions. In particular, our results of operations have been significantly affected by adjustments relating to fluctuations in foreign currency exchange rates. We have significant international operations. For fiscal 2003, we derived approximately 49% of our net sales from the United States, 43% from Europe, 5% from Asia, 2% from Canada, and 1% from South and Latin America. To the extent that we expand our international presence these risks may increase. Our European sales significantly increased in fiscal 2003 due to the acquisition of Kopp.

FUTURE ACQUISITIONS MAY CREATE TRANSITIONAL CHALLENGES.

Our business strategy includes growth through small, strategic acquisitions, although we may from time to time consider larger acquisitions. That strategy depends on the availability of suitable acquisition candidates at reasonable prices and our ability to quickly resolve challenges associated with integrating these acquired businesses into our existing business. These

challenges include integration of product lines, sales forces and manufacturing facilities as well as decisions regarding divestitures, inventory write-offs and other charges. These challenges also pose risks with respect to employee turnover, disruption in product cycles and the loss of sales momentum. We cannot be certain that we will find suitable acquisition candidates or that we will consistently meet these challenges.

ENVIRONMENTAL LAWS AND REGULATIONS MAY RESULT IN ADDITIONAL COSTS.

We are subject to federal, state, local and foreign laws and regulations governing public and worker health and safety and the indoor and outdoor environment. Any violations of these laws by us could cause us to incur unanticipated liabilities that could harm our operating results and business. Pursuant to such laws, governmental authorities have required us to contribute to the cost of investigating or remediating, or to investigate or remediate, third party as well as currently or previously owned and operated sites. In addition, we provided environmental indemnities in connection with the spin-off of APW and the sale of certain businesses and product lines. Liability as an owner or operator, or as an arranger for the treatment or disposal of hazardous substances, can be joint and several and can be imposed without regard to fault. There is a risk that our costs relating to these matters could be greater than what we currently expect or exceed our insurance coverage, or additional remediation and compliance obligations could arise which require us to make material expenditures. In particular, more stringent environmental laws, unanticipated remediation requirements or the discovery of previously unknown conditions could harm our financial condition and operating results. We are also required to comply with various environmental laws and maintain permits, some of which are subject to discretionary renewal from time to time, for many of our

businesses, and our operations could be restricted if we are unable to renew existing permits or to obtain any additional permits that we may require.

ANY LOSS OF KEY PERSONNEL AND THE INABILITY TO ATTRACT AND RETAIN QUALIFIED EMPLOYEES COULD HAVE A MATERIAL ADVERSE IMPACT ON OUR OPERATIONS.

We are dependent on the continued services of key executives such as Robert Arzbaecher, our Chief Executive Officer, and Andy Lampereur, our Chief Financial Officer. We do not currently have employment agreements with these or any other officers. The departure of key personnel without adequate replacement could have a material adverse effect on us. Additionally, we need qualified managers and skilled employees with technical and manufacturing industry experience to operate our businesses successfully. From time to time there may be shortages of skilled labor which may make it more difficult and expensive for us to attract and retain qualified employees. If we are unable to attract and retain qualified individuals or our costs to do so increase significantly, our operations would be materially adversely affected.

WE COULD BE ADVERSELY AFFECTED IF THE SPIN-OFF OF APW OR THE RELATED CORPORATE RESTRUCTURING TRANSACTIONS AND DEBT REALIGNMENT ARE NOT VALID UNDER FRAUDULENT TRANSFER OR LEGAL DIVIDEND STATUTES.

In connection with the spin-off of APW, we undertook numerous corporate restructuring transactions and realigned our debt. These transactions, along with the spin-off, may be challenged under federal and state fraudulent conveyance laws. Under these laws, if a court determines that one of the parties to these transactions did not receive reasonably equivalent value or fair consideration and, at the time, was insolvent, was rendered insolvent, had unreasonably small capital or was unable to pay its debts as they come due, the court could, among other things, reverse the spin-off or impose liability, which could be substantial, on the parties. In addition, the spin-off, including the related debt realignment and corporate restructuring transactions, was subject to state corporate distribution statutes. If these statutes were violated, a court could reverse the transactions. The resulting complications and costs of any of these matters could have a material adverse effect on us, our financial condition and results of operations.

WE MAY BE REQUIRED TO MAKE PAYMENTS IN RESPECT OF BUSINESSES THAT WE HAVE SOLD.

We have sold a number of businesses over the last several years. We have typically agreed to indemnify the buyers in respect of certain matters relating to the businesses that we have sold, and we may from time to time be required to make payments to the buyers under those indemnities. To the extent we are required to make any similar payments in the future, those payments could be substantial and could adversely affect our results of operations.

IF OUR INTELLECTUAL PROPERTY PROTECTION IS INADEQUATE, OTHERS MAY BE ABLE TO USE OUR TECHNOLOGIES AND TRADENAMES AND THEREBY REDUCE OUR ABILITY TO COMPETE, WHICH COULD HAVE A MATERIAL ADVERSE EFFECT ON US, OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

We regard much of the technology underlying our services and products and the trademarks under which we market our products as proprietary. The steps we take to protect our proprietary technology may be inadequate to prevent misappropriation of our technology, or third parties may develop similar technology independently. We rely on a combination of patents, trademark, copyright and trade secret laws, employee and third-party non-disclosure agreements and other contracts to establish and protect our technology and other intellectual property rights. The agreements may be breached or terminated, and we may not have adequate remedies for any breach, and existing trade secrets, patent and copyright law afford us limited protection. Policing unauthorized use of our intellectual property is difficult. A third party could copy or otherwise obtain and use our products or technology without authorization.

Litigation may be necessary for us to defend against claims of infringement, to protect our intellectual property rights and could result in substantial cost to us, and diversion of our efforts. Further, we might not prevail in such litigation which could harm our business.

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RISKS RELATED TO THE DEBENTURES, THE GUARANTEES AND THE COMMON STOCK

THE DEBENTURES ARE UNSECURED AND SUBORDINATED TO OUR SENIOR INDEBTEDNESS, AND THE GUARANTEE OF EACH SUBSIDIARY GUARANTOR IS UNSECURED AND SUBORDINATED TO ITS SENIOR INDEBTEDNESS.

The debentures and the guarantees provided by certain of our subsidiaries are unsecured, which means that you will have no recourse to our specific assets or to the specific assets of our subsidiaries if a default occurs under the debentures and the indenture. In addition, the debentures are our senior subordinated obligations, which means the debentures rank junior in right of payment to all of our existing and future senior indebtedness, as defined in the indenture relating to the debentures. Likewise, the guarantee of each subsidiary guarantor is its senior subordinated obligation which means that such guarantee ranks junior in right of payment to all of such subsidiary guarantor's existing and future senior indebtedness. This means that, upon any payment or distribution of our assets in a bankruptcy, insolvency or similar proceeding, we will not be permitted to make any payments on the debentures until all of our senior indebtedness has been paid in full. Likewise, upon any payment or distribution of assets of any subsidiary guarantor in a bankruptcy, insolvency or similar proceeding, that subsidiary guarantor will not be permitted to make any payments in respect of its guarantee until all of its senior indebtedness has been paid in full.

In addition, we will also be prohibited from making any payments on the debentures if any of our designated senior indebtedness (as defined herein) is not paid when due or has been declared due and payable because of a default, and any subsidiary guarantor will be prohibited from making any payments under its guarantee if any designated senior indebtedness of such subsidiary guarantor or of us is not paid when due or has been declared due and payable because of a default. In addition, in the event of certain other defaults in respect of our designated senior indebtedness, we may be prohibited from making payments on the debentures and, in the event of certain other defaults in respect of designated senior indebtedness of any subsidiary guarantor or of us, such subsidiary guarantor may be prohibited from making payments under its guarantee.

As of November 30, 2003, we had approximately $35.0 million of senior indebtedness outstanding, excluding senior indebtedness of our subsidiaries and accrued interest, all of which represented secured indebtedness. Although the subsidiary guarantors had no debt outstanding at November 30, 2003, the subsidiary guarantors have guaranteed all borrowings and amounts payable by us under our senior credit facility. Such guarantees rank senior in right of payment to the guarantees of the subsidiary guarantors under the debentures. As of November 30, 2003, we had $35.0 million of term borrowings and $4.8 million of letters of credit outstanding. Our new credit facility entered into on February 19, 2004 provides for stock pledges by certain of our significant subsidiaries. If we default on any payments required under our senior credit facility, or if we fail to comply with other provisions governing these obligations such as the maintenance of certain required financial ratios, the senior lenders could declare all amounts outstanding, together with accrued and unpaid interest, immediately due and payable. If we are unable to repay amounts due, the lenders could proceed against the collateral securing the debt and we then may not have enough assets left to pay you or other holders of our subordinated debt. Although some of our debt agreements contain limitations on our ability and the ability of our subsidiaries to incur additional indebtedness, both we and our subsidiaries have the right to incur substantial additional indebtedness, including senior indebtedness.

The debentures rank equally in right of payment to our 13% senior subordinated notes. In addition, the initial subsidiary guarantors have also guaranteed our 13% senior subordinated notes, and those guarantees rank equally in right of payment with their guarantees of the debentures. As of November 30, 2003, we had $60.8 million of our 13% senior subordinated notes outstanding.

OUR ABILITY TO SERVICE OUR DEBT, INCLUDING DEBENTURES, DEPENDS UPON CASH PROVIDED TO US BY OUR SUBSIDIARIES, AND THE DEBENTURES ARE EFFECTIVELY SUBORDINATED TO THE LIABILITIES OF OUR SUBSIDIARIES WHO ARE NOT SUBSIDIARY GUARANTORS UNDER THE DEBENTURES.

The debentures are guaranteed by certain of our domestic subsidiaries. However, a substantial portion of our assets were held by subsidiaries that are not guarantors of the debentures, which we refer to as the "non-guarantor subsidiaries." At November 30, 2003, the non-guarantor subsidiaries held

approximately 42% of our consolidated assets after taking into account the reduction in the number of guarantors due the replacement of our senior credit facility with a new senior credit facility on February 19, 2004. See Note 18 to the consolidated financial statements contained in our Annual Report on Form 10-K/A for fiscal year 2003 which is incorporated by reference in this prospectus.

We are a holding company and we derive a substantial portion of our revenues from, and a substantial portion of our assets are held through, our subsidiaries. As a result, our cash flow and our ability to service our debt, including the debentures, depends on the results of operations of our subsidiaries and upon the ability of our subsidiaries to provide us cash to pay amounts due on our obligations, including the debentures. Our subsidiaries are separate and distinct legal entities and the non-guarantor subsidiaries have no obligation to make payments on the debentures or to make any funds available for that purpose. In addition, dividends, loans, or other distributions from our subsidiaries to us may be subject to contractual and other restrictions, are dependent upon results of operations of our subsidiaries, and may be subject to tax or other laws limiting our ability to repatriate funds from foreign subsidiaries, and are subject to other business considerations.

Because of our holding company structure, the debentures are effectively subordinated to all existing and future liabilities of our non-guarantor subsidiaries. These liabilities may include indebtedness, trade payables, guarantees, lease obligations and letter of credit obligations. Therefore, our rights and the rights of our creditors, including the holders of the debentures, to participate in the assets of any non-guarantor subsidiary upon that subsidiary's liquidation or reorganization will be subject to the prior claims of that subsidiary's creditors and of the holders of any indebtedness or other obligations guaranteed by that subsidiary, except to the extent that we may ourselves be a creditor with recognized claims against that subsidiary. However, even if we are a creditor of one of our non-guarantor subsidiaries, our claims would still be effectively subordinated to any security interests in, or mortgages or other liens on, the assets of that subsidiary and would be subordinate to any indebtedness of that subsidiary senior to that held by us. As of November 30, 2003, after taking into account the reduction in the number of guarantors due to the amendment to our senior credit facility on February 19, 2004, our non-guarantor subsidiaries had approximately $97.3 million of liabilities outstanding which would effectively rank senior in right of payment to the debentures. In addition, the non-guarantor subsidiaries and certain of our other subsidiaries have jointly and severally, fully and unconditionally guaranteed all borrowings and other amounts payable under our senior credit facility, and those guarantees of the non-guarantor subsidiaries would effectively rank senior to the debentures.

THE TERMS OF THE DEBENTURES DO NOT RESTRICT OUR ABILITY TO INCUR ADDITIONAL DEBT, PAY DIVIDENDS, REPURCHASE OUR SECURITIES OR COMPLETE OTHER FINANCIAL TRANSACTIONS.

The indenture governing the debentures does not contain any financial or operating covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by us or any of our subsidiaries. Although some of our other debt instruments impose limitations on our incurrence of additional indebtedness, both we and our subsidiaries retain the ability to incur substantial additional indebtedness and other obligations, including additional senior indebtedness. If we or our subsidiaries were to incur additional debt or liabilities, our ability to service our indebtedness and pay our obligations on the debentures and our other obligations and our subsidiary guarantors' ability to pay their obligations on

the guarantees, as the case may be, could be adversely affected. We anticipate that from time to time, we and our subsidiaries will incur additional indebtedness, including indebtedness that is senior to the debentures. In addition, we are not restricted by the indenture from paying dividends or issuing or repurchasing our securities and we anticipate that we will make additional repurchases of our 13% senior subordinated notes from time to time as market conditions permit and subject to compliance with restrictions in our senior credit facility.

A higher level of indebtedness increases the risk that we may default on our debt obligations. There is a risk that we may not be able to generate sufficient cash flow to pay the interest or make other required payments on our debt or that future working capital, borrowings or equity financing will be available to pay or refinance such debt. In addition, although the indenture governing the debentures permits holders to require us to repurchase the debentures upon the occurrence of certain "designated events," as defined, the definition of "designated event" does not cover all change of control events or other business combination transactions that may adversely affect the value of the debentures.

WE MAY BE UNABLE TO REPURCHASE OR REPAY YOUR DEBENTURES.

At maturity, the entire outstanding principal amount of the debentures will become due and payable by us. In addition, on specified dates in 2010, 2013 and 2018, or at any time prior to maturity if a designated event occurs, each holder of debentures may require that we purchase all or a portion of that holder's debentures at a repurchase price equal to 100% of the principal amount of the debenture to be repurchased, plus accrued and unpaid interest, contingent interest, if any, and liquidated damages, if any, to but excluding the repurchase date. There is a risk that we may not have sufficient funds or be able to arrange for financing to pay the principal amount at maturity or to purchase the debentures under the circumstances described above. Our senior credit facility prohibits the redemption or repurchase of the debentures prior to their stated maturity. If we are required to repurchase or repay debentures (whether at maturity, upon one of the repurchase dates referred to above, upon the occurrence of a designated event or otherwise) while we are prohibited by our senior credit facility or any other instrument or agreement from repurchasing or repaying the debentures, we would have to seek the consent of our lenders to purchase the debentures or to refinance this other debt. There is a risk that we would not be able to obtain such a consent or to refinance that other debt, in which case, we would be unable to purchase the debentures. In that case, our failure to repay the debentures at maturity or to purchase any tendered debentures would constitute an event of default under the indenture, which would constitute a default under the terms of our senior credit facility and could constitute an event of default under other debt instruments. In such event, the holders of that other indebtedness generally would be able to declare that indebtedness to be due and payable immediately and, in the case of secured indebtedness, to realize upon the collateral. Moreover, if any of our senior indebtedness were to be accelerated, holders of the debentures would not be entitled to receive any payments until all of our senior indebtedness had been paid in full.

The holders of our 13% senior subordinated notes are also entitled to require us to repurchase those notes upon the occurrence of certain change of control events, and certain change of control events constitute an event of default under our senior credit facility. Some of these change of control events are similar to events that would constitute a "designated event" with respect to the debentures. Accordingly, if one or more of these change of control events or designated events were to occur, there is a risk that we may not be able to repurchase or repay any of debentures or the other indebtedness that becomes due.

THE ABSENCE OF A PUBLIC MARKET FOR THE DEBENTURES COULD CAUSE PURCHASERS OF THE DEBENTURES TO BE UNABLE TO RESELL THEM FOR AN EXTENDED PERIOD OF TIME.

There is no established trading market for the debentures. The debentures are eligible for trading on the PORTAL Market. However, debentures sold pursuant to this prospectus will not remain eligible for trading on the PORTAL Market. We do not intend to apply for listing of the debentures on any securities exchange or include the debentures in any automated quotation system. A market for the debentures may not develop or, if one does develop, it may not be maintained. If an active market for the debentures fails to develop or be sustained, the value of the debentures could decline significantly. Whether or not the value of the debentures declines depends on many factors, including prevailing interest rates and the market for similar securities, the market price for our common stock and our financial condition, financial performance and future prospects.

FEDERAL AND STATE STATUTES MAY ALLOW COURTS TO VOID OR SUBORDINATE GUARANTEES AND OTHER LAWS MAY LIMIT PAYMENTS UNDER THE GUARANTEES.

The debentures are guaranteed by certain of our existing domestic subsidiaries and may be guaranteed by certain future subsidiaries. If a bankruptcy case or lawsuit is initiated with respect to a subsidiary guarantor, the debt represented by the guarantee entered into by that subsidiary guarantor may be reviewed under federal bankruptcy law and comparable provisions of state fraudulent transfer laws. Under these laws, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to other indebtedness, guarantees and other liabilities of the subsidiary guarantor (which, depending on the amount of such indebtedness and other obligations, could reduce the subsidiary guarantor's liability on its guarantee of the debentures to zero), if, among other things, such subsidiary guarantor at the time it incurred the debt evidenced by the guarantee:

- received less than reasonably equivalent value or fair consideration for entering into the guarantee;

- was insolvent or rendered insolvent by reason of entering into the guarantee;
- was engaged in a business or transaction for which the subsidiary guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts or contingent liabilities beyond its ability to pay such debts or contingent liabilities as they became due.

In addition, under these circumstances any payment by the subsidiary guarantor pursuant to its guarantee could be voided and holders of the debentures could be required to return those payments to the subsidiary guarantor or to a fund for the benefit of the creditors of us or the subsidiary guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a subsidiary guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was at the time greater than the fair saleable value of all of its assets;
- if the present fair saleable value of its assets was at the time less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

We cannot predict with certainty what standard a court would apply to evaluate the parties' intent or to determine whether the applicable subsidiary guarantor was insolvent at the time of, or rendered insolvent upon consummation of, the applicable transaction or that, regardless of the standard, a court would not determine that the subsidiary guarantor was insolvent or rendered insolvent as a result of that transaction. Accordingly, there is a risk that the guarantees, or any payments made under the guarantees, will be deemed to violate applicable bankruptcy, fraudulent transfer or similar laws. Each guarantee is limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable subsidiary guarantor, after giving effect to all of its other liabilities, including, without limitation, any guarantees under our senior credit facility) without rendering the guarantee, as it relates to such subsidiary guarantor, voidable under applicable laws relating to fraudulent conveyance or fraudulent transfer or similar laws.

Other laws, including corporate distribution laws, limit or may limit the amount that any subsidiary guarantor will be permitted to pay under its guarantee of the debentures. Such limitations could restrict, perhaps substantially, the amount that any subsidiary guarantor would be permitted to pay under its guarantee, could prohibit that subsidiary guarantor from making any payments under its guarantee or could possibly require that amounts paid by any subsidiary guarantor under its guarantee of the debentures be returned.

THE MARKET PRICE FOR OUR COMMON STOCK MAY BE VOLATILE AND MAY AFFECT THE VALUE OF THE DEBENTURES.

The market price of our common stock could fluctuate substantially in the future in response to a number of factors, including those discussed below.

Fluctuations in the market price of our common stock could affect the value of the debentures. This may result in greater volatility in the value of the debentures than would be expected for nonconvertible debt securities we issue. The market price of our common stock has in the past and is likely to continue to fluctuate significantly. Some of the factors that may cause the price of our common stock to fluctuate include:

- variations in our and our competitors' quarterly operating results;
- changes in securities analysts' estimates of our future performance;

- changes in stock market analysts' estimates of our future performance and the future performance of our competitors;
- announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments;
- gains or losses of significant customers;
- additions or departure of key personnel;
- events affecting other companies that the market deems comparable to us;
- general conditions in industries in which we operate;
- general conditions in the United States and abroad;
- the presence or absence of short selling of our common stock;
- future sales of our common stock or debt securities; and
- announcements by us or our competitors of technological improvements or new products.

The stock markets in general have experienced substantial price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the trading price of the common stock or the value of the debentures.

THE MARKET PRICE OF OUR COMMON STOCK COULD BE AFFECTED BY THE SUBSTANTIAL NUMBER OF SHARES THAT ARE ELIGIBLE FOR FUTURE SALE.

As of November 30, 2003, we had 23,572,250 shares of common stock outstanding, excluding 2,181,702 shares issuable upon the exercise of outstanding options granted under our existing stock option plans, and 695,534 additional shares reserved for issuance under existing stock option plans and employee stock purchase plans. We cannot predict the effect, if any, that sales of the debentures or future sales of shares of common stock, including common stock issuable upon conversion of the debentures, or the availability of shares of common stock for future sale, will have on the market price of common stock prevailing from time to time.

Based on filings made with the SEC we are aware of three institutions that each hold in excess of 5% of our outstanding common stock. We are not able to predict whether or when any of these institutions will sell substantial amounts of our common stock. Sales of our common stock by these institutions could adversely affect prevailing market prices for our common stock.

CONVERSION OF THE DEBENTURES WILL DILUTE THE OWNERSHIP INTEREST OF EXISTING STOCKHOLDERS.

The conversion of the debentures into shares of our common stock will dilute the ownership interests of existing stockholders. Any sales in the public market of the common stock issuable upon conversion of the debentures could adversely affect prevailing market prices for our common stock. In addition, the existence of the debentures may encourage short selling by market participants due to this potential dilution or to facilitate trading strategies involving debentures and common stock.

YOU SHOULD CONSIDER THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF OWNING THE DEBENTURES.

Under the indenture, we have agreed, and by acceptance of a beneficial interest in the debentures each beneficial owner of the debentures is deemed to have agreed, among other things, for United States federal income tax purposes,

to treat the debentures as indebtedness that is subject to the regulations governing contingent payment debt instruments, and the discussion below assumes that the debentures will be so treated. However, there is a risk that the Internal Revenue Service could assert that the debentures should be treated differently. Any such different treatment could affect the amount, timing and character of income, gain or loss in respect of an investment in the debentures. In general, beneficial owners of the debentures will be required to accrue ordinary interest income, which we refer to as tax original issue discount, on debentures, in advance of the receipt of the cash or other property attributable to the debentures, regardless of whether such owner uses the cash or accrual method of tax accounting. Beneficial owners will be required, in general, to accrue tax original issue discount based on the rate at which we would have issued a noncontingent, nonconvertible, fixed-rate debt instrument with terms and conditions otherwise similar to those of the debentures, rather than at a lower rate based on the stated semiannual regular cash interest payable on the debentures. Accordingly, owners of the debentures will be required to include interest in taxable income in each year in excess of the stated semiannual regular cash interest payable on the debentures. Furthermore, upon a sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of a debenture, owners of the debentures will recognize gain or loss equal to the difference between the amount realized and their adjusted tax basis in the debentures. In general, the amount realized will include, in the case of a conversion, the fair market value of shares of our common stock received. Any gain on a sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of a debenture will be treated as ordinary interest income; any loss will be ordinary loss to the extent of the interest previously included in income, and thereafter, capital loss. Owners of the debentures should consult their tax advisors as to the United States federal, state, local or other tax consequences of acquiring, owning and disposing of the debentures. A summary of the United States federal income tax consequences of ownership of the debentures is described in this prospectus under the heading "Material United States Federal Income Tax Considerations."

THE CONDITIONAL CONVERSION FEATURE OF THE DEBENTURES COULD RESULT IN YOU RECEIVING LESS THAN THE VALUE OF THE COMMON STOCK INTO WHICH A DEBENTURE IS CONVERTIBLE.

The debentures are convertible into shares of our common stock only if specified conditions are met. If the specific conditions for conversion are not met, you will not be able to convert your debentures, and you may not be able to receive the value of the common stock into which the debentures would otherwise be convertible.

THE MARKET PRICE FOR THE DEBENTURES MAY BE AFFECTED BY THEIR RATING

The debentures have been assigned a rating by Standard & Poor's Rating Group. If the rating assigned to the debentures was reduced or withdrawn in the future, the market price of the debentures and our common stock could be adversely affected. Also, a negative change in the rating of other debt that we issue could adversely affect the trading value of the debentures.

SUBSIDIARY GUARANTORS MAY BE RELEASED FROM THE OBLIGATIONS UNDER THEIR GUARANTEES

Upon the sale or other disposition of the capital stock or all or substantially all the assets of a subsidiary guarantor, such that the subsidiary guarantor is no longer our subsidiary, any such subsidiary guarantor will be released and relieved from all its obligations under the indenture relating to the debentures and its guarantee of debentures shall terminate. In addition, if any subsidiary guarantor that is also a guarantor of our 13% senior subordinated notes is released from its guarantee under the 13% senior subordinated notes, such subsidiary guarantor will also be released and relieved of all of its obligations under the indenture relating to the debentures and its guarantee of the debentures will terminate. Upon the occurrence of any such events, the holders of the debenture will no longer have the benefit of the terminated guarantee.

THE CONVERSION RATE OF THE DEBENTURES MAY NOT BE ADJUSTED FOR ALL DILUTIVE EVENTS.

The conversion rate of the debentures is subject to adjustment for certain events including, but not limited to, the issuance of dividends on our common stock, the issuance of certain rights or warrants, subdivisions or combinations of our common stock, certain distributions of assets, debt securities, capital stock or cash to holders of our common stock and certain

issuer tender or exchange offers as described under "Description of Debentures--Conversion of the Debentures--Conversion Rate Adjustment." The conversion rate will not be adjusted for other events, such as an issuance of common stock for cash that may adversely affect the value of the debentures or the trading price of the common stock. In that regard, the anti-dilution adjustments in the indenture will relate only to events affecting the common stock, and therefore no adjustment to the conversion rate will be made for events affecting any Class B common stock we may issue in the future, including dividends or distributions on or repurchases of any such Class B common stock, except to the limited extent set forth in clause (8) of the first paragraph under "Description of Debentures--Conversion of the Debentures--Conversion Rate Adjustments." There is a risk that an event that adversely affects the value of the debentures would not result in an adjustment to the conversion rate, which would adversely affect the value of the debentures.

WE DO NOT INTEND TO PAY CASH DIVIDENDS IN THE FORESEEABLE FUTURE.

We do not plan to declare or pay cash dividends in the foreseeable future but instead intend to retain cash for working capital needs, acquisitions, if any, and to reduce outstanding debt.

SOME PROVISIONS OF OUR CHARTER AND BYLAWS AND OF WISCONSIN LAW MAY PREVENT A CHANGE IN CONTROL OR ADVERSELY AFFECT OUR SHAREHOLDERS.

Our articles of incorporation and bylaws may discourage, delay or prevent a change of control that shareholders may consider favorable. Certain provisions of our articles of incorporation and bylaws and of the Wisconsin Business Corporation Law may discourage transactions that otherwise could provide for payment of a premium over the prevailing market price of our common stock and also may limit the price that investors are willing to pay in the future for shares of our common stock and debentures.

For example, our articles of incorporation and bylaws:

- do not provide for cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of our common stock to elect some directors;
- while currently not implemented, permit us to classify the board of directors into two or three classes serving staggered two or three-year terms, respectively, which may lengthen the time required to gain control of our board of directors;
- require super-majority voting to effect amendments to provisions of our articles of incorporation and bylaws or to approve or adopt a merger or consolidation of us, or approve or adopt a sale or exchange of all or substantially all of our assets;
- establish advance notice requirements for nominating candidates for election to the board of directors or for proposing matters that can be acted upon by shareholders at a shareholder meeting; and
- allow the board to issue shares of Class B common stock (which would then have the right to elect a majority of the directors) and to issue and determine terms of preferred stock.

In addition, certain sections of the Wisconsin Business Corporation Law may discourage, delay or prevent a change in control by:

- limiting the voting power of certain shareholders exercising 20% or more of our voting power,
- prohibiting us from engaging in a business combination with an interested stockholder, or

- requiring a super-majority vote for any business combination that does not meet certain fair price standards.

See "Description of Capital Stock--Certain Statutory Provisions" in this prospectus.

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ANY ISSUANCE OF PREFERRED STOCK OR CLASS B COMMON STOCK COULD ADVERSELY AFFECT THE HOLDERS OF OUR COMMON STOCK.

Our board of directors is authorized to issue shares of preferred stock

or Class B common stock without any action on the part of our shareholders. Our board of directors also has the power, without shareholder approval, to set specified terms of any series of preferred stock, including dividend rates, votes per share and amounts payable in the event of our dissolution, liquidation or winding up. Any preferred stock that we issue may have a preference over our common stock with respect to the payment of dividends and upon our liquidation, dissolution or winding up and the holders of the preferred stock would be entitled to vote as a single class with the holders of our common stock in the election of directors. As a result, our board of directors could issue preferred stock with dividend, liquidation and voting rights and with other terms that could adversely affect the interests of the holders of our common stock. If any shares of Class B common stock are issued, the Class B common shareholders, voting as a separate class, would be entitled to elect a majority of our board of directors, while the holders of our common stock, voting as a single class with the holders of any outstanding preferred stock, would be entitled to elect a minority of our board of directors. As a result, the issuance of any Class B common stock would adversely affect the voting rights of holders of our common stock. We do not currently intend to issue any preferred stock or Class B common stock.

PERSONS HOLDING OUR COMMON STOCK THAT ALSO PURCHASE THE DEBENTURES COULD HAVE THE VOTING POWER OF THEIR SHARES OF COMMON STOCK ON ALL MATTERS SIGNIFICANTLY REDUCED UNDER WISCONSIN ANTI-TAKEOVER STATUTES, IF THE PERSON HOLDS 20% OF THE VOTING POWER IN THE ELECTION OF DIRECTORS.

Under Section 180.1150(2) of the Wisconsin Business Corporation Law, if a person holds voting power of our company in excess of 20% of the voting power in the election of directors, then that person's voting power shall be limited (in voting on any matter) to 10% of the full voting power of such excess shares, unless full voting rights have been restored to that person at a special meeting of the shareholders called for that purpose. A person's common stock holdings as well as any shares issuable upon conversion of such person's convertible securities or the exercise of such person's options or warrants are included in calculating such person's voting power. Therefore, any shares issuable to a holder of debentures upon conversion of the debentures will be included in determining whether such holder holds more than 20% of our voting power. If a holder of common stock holds more than 20% of our outstanding common stock, after taking into account any shares of common stock that the holder would receive upon conversion of the debentures that it acquires, then the holder's voting power would be significantly reduced under Wisconsin anti-takeover statutes. See "Description of Capital Stock--Certain Statutory Provisions."

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the documents incorporated and deemed to be incorporated by reference herein, contain statements that constitute forward-looking statements. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in the forward-looking statements. The words "may," "should," "could," "anticipate," "believe," "estimate," "expect," "project," "plan," "objective" and similar expressions are intended to identify forward-looking statements. Additionally, any projections or estimates of future revenues, earnings per share, tax rates, interest rates, debt reductions or similar matters are forward-looking statements, and the actual results of operations and financial conditions could differ, perhaps substantially, from those expressed or implied in those forward-looking statements. In addition to the assumptions and other factors referred to specifically in connection with the forward-looking statements included in this prospectus and the documents incorporated or deemed to be incorporated by reference herein and the risk factors discussed in this prospectus under the caption "Risk Factors," factors that may cause actual results or events to differ materially from those contemplated by such forward-looking statements include, without limitation, general economic conditions and market conditions in the industrial production, truck, construction, automotive, and recreational vehicle industries in North America and Europe and, to a lesser extent, Asia, market acceptance of existing and new products, successful integration of acquisitions, competitive pricing, foreign currency risks, interest rate risks, potential tax liabilities (including potential substantial tax liabilities relating to our spin-off of APW Ltd.), environmental matters, our ability to access capital markets, our high debt level, unforeseen costs, the risk that we may become subject to substantial liabilities if APW Ltd. were unable to meet its lease obligations as they come due and other factors that may be referred to in this prospectus and the documents incorporated and deemed to be incorporated by reference in this prospectus.

All forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by this cautionary statement.

In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this prospectus might not transpire.

MARKET DATA

The information in this prospectus and the documents incorporated by reference in this prospectus concerning market positions of certain of our products is based on our net sales for the fiscal year 2003 and management's estimates of our competitors' respective dollar volumes of net sales for the products, markets and geographic region or regions to which we refer. These estimates were prepared in accordance with what we believe to be industry practice and are based on our internal estimates, our knowledge of our relative position and the relative position of our competitors in applicable markets, and, in some limited cases, industry sources. In that regard, when we state that our high-force hydraulic industrial tools, hydraulic cab-tilt systems for heavy-duty cab-over-engine trucks and electro-hydraulic automotive convertible top actuation systems hold a leading position in their respective markets, we are referring to the global markets for those types of products; when we say that our electrical tools and supplies sold through the retail do-it yourself channel hold a leading position in their markets, we are referring to the German and/or North American markets, as the case may be, for those type of products; and when we say that our recreational vehicle slide-out, leveling, storage tray and electric retractable step systems hold a leading position in their respective markets, we are referring to the North American markets for those types of products. Other market data included in this prospectus and the documents incorporated by reference in this prospectus is estimated and is based on independent industry publications or other publicly available information. Although we believe that the information on which we have based these estimates of our market position and this market data is generally reliable, the accuracy and completeness of this information has not been independently verified. This prospectus and the documents incorporated by reference in this prospectus include sales data for businesses that we acquired prior to their dates of acquisition. This sales data was provided to us by the sellers of those businesses and has not been independently verified.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. Copies of some of the documents referred to herein have been filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part and you may obtain copies of those documents as described below under "Where You Can Find More Information" and "Incorporation of Certain Documents by Reference."

USE OF PROCEEDS

We will not receive any proceeds from the sale by any selling securityholder of the debentures or the shares of common stock issuable upon conversion of the debentures.

DIVIDEND POLICY

We have not paid any cash dividends since our fiscal year 2000, and we do not anticipate paying any cash dividends on our common stock in the foreseeable future. We currently intend to use available cash for working capital needs, acquisitions, if any, and to reduce outstanding debt. Our senior credit facility and our 13% senior subordinated notes currently restrict our ability to pay cash dividends.

COMMON STOCK PRICE RANGE

Our common stock is quoted on the New York Stock Exchange under the symbol "ATU." The following table sets forth the range of high and low sales prices for our common stock on the New York Stock Exchange for the periods indicated. The high and low sales prices for our common stock have been adjusted to reflect the impact of a two-for-one stock split effected on October 21, 2003.

	HIGH	LOW
FISCAL YEAR ENDED AUGUST 31, 2002		
First quarter	$ 15.63	$ 8.70
Second quarter	20.00	13.95
Third quarter	23.08	18.00
Fourth quarter	21.23	15.44
FISCAL YEAR ENDED AUGUST 31, 2003		
First quarter	$ 22.40	$ 16.55
Second quarter	24.57	16.78

Third quarter	21.64	16.25
Fourth quarter	26.82	20.75
FISCAL YEAR ENDING AUGUST 31, 2004		
First quarter	$ 33.42	$ 25.76
Second quarter (through February 26, 2004)	$ 43.10	$ 27.95

On November 30, 2003, we had approximately 1,769 stockholders of record of our common stock.

RATIO OF EARNINGS TO FIXED CHARGES

The following table presents the ratio of earnings to fixed charges for Actuant Corporation and its consolidated subsidiaries for each of the periods indicated. The information presented reflects all business units other than the Electronics Business, which was distributed to shareholders in the spin-off transaction on July 31, 2000 and is reported in discontinued operations in the consolidated financial statements. The results of all businesses acquired or divested during the time periods presented are included in the table from their respective acquisition dates or up to their respective divestiture dates. As a result, the data contained in the following table is not fully representative of the group of business units that comprised our company as of November 30, 2003.

<TABLE>
<CAPTION>

	YEARS ENDED AUGUST 31,					QUARTER ENDED NOVEMBER 30,
	1999	2000	2001	2002	2003	2003
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Ratio of earnings to fixed charges(1)	2.4x	1.6x	1.8x	1.7x	3.0x	1.2x

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(1) The ratio of earnings to fixed charges is determined by dividing net earnings before interest expense, taxes on income, amortization of debt expense, and a portion of rent expense deemed representative of the interest component by the sum of interest expense, capitalized interest, amortization of debt expense, and a portion of rent expense deemed representative of the interest component.

</TABLE>

DESCRIPTION OF THE DEBENTURES

The debentures were issued under an indenture, dated as of November 10, 2003 between Actuant Corporation, as issuer, certain of our domestic subsidiaries, as guarantors, and U.S. Bank National Association, as trustee. The following description is a summary of some of the provisions of the debentures, the guarantees and the indenture. It does not purport to be complete. This summary is subject to and is qualified by reference to all the provisions of the indenture, including the definitions of certain terms used in the indenture. We urge holders of the debentures to read the indenture because it, and not this description, defines the rights as a holder of the debentures.

As used in this "Description of Debentures" section, references to "Actuant," "we," "our" or "us" refer solely to Actuant Corporation and not to our subsidiaries, unless the context otherwise requires.

GENERAL

The debentures are limited to an aggregate principal amount of $150,000,000. The debentures are issued only in denominations of $1,000 and multiples of $1,000. We use the term debenture in this prospectus to refer to each $1,000 principal amount of the debentures. The debentures are convertible into common stock as described under "--Conversion of the Debentures." The debentures mature on November 15, 2023, unless earlier converted, redeemed or repurchased. The debentures are our unsecured senior subordinated obligations, and the payment of the principal of and interest, contingent interest, if any, and liquidated damages, if any, on the debentures are subordinated in right of payment to the prior payment in full of our existing and future "senior indebtedness" (as defined). The debentures rank equally in right of payment with our existing and future senior subordinated indebtedness and rank senior in right of payment to any of our future subordinated indebtedness. The debentures

also rank junior in right of payment to our secured indebtedness (including our obligations under our senior credit facility) to the extent of the underlying collateral. At November 30, 2003, our senior indebtedness, excluding senior indebtedness of our subsidiaries and accrued interest, consisted of approximately $35.0 million of term loans and approximately $2.0 million of revolving credit loans and letters of credit. Under our new credit facility entered into on February 19, 2004, we are permitted to borrow up to $250 million of revolving credit loans , subject to compliance with covenants and borrowing conditions.

The guarantee of the debentures by each subsidiary guarantor is an unsecured senior subordinated obligation of that subsidiary guarantor, and the payment of any and all amounts due under that guarantee is subordinated in right of payment to the prior payment in full of all existing and future senior indebtedness (including obligations under guarantees of our senior credit facility) of that subsidiary guarantor. The guarantee of each subsidiary guarantor ranks equally in right of payment with all existing and future senior subordinated indebtedness of that subsidiary guarantor, including, in the case of the initial subsidiary guarantors, their guarantees of our 13% senior subordinated notes, and senior in right of payment to any future subordinated indebtedness of that subsidiary guarantor. The guarantee of each subsidiary guarantor ranks junior in right of payment to any secured obligations (including its obligations under its guarantee of our senior credit facility) of that subsidiary guarantor to the extent of the underlying collateral. Although the subsidiary guarantors had no debt outstanding at November 30, 2003, the subsidiary guarantors have guaranteed all borrowings and amounts payable by us under both our old and new senior credit facility. Such guarantees rank senior in right of payment to the guarantees of the subsidiary guarantors under the debentures. The initial subsidiary guarantors have also guaranteed our 13% senior subordinated notes, which guarantees rank pari passu in right of payment with their guarantees of the debentures. At November 30, 2003, we had outstanding approximately $37.0 million of borrowings and letters of credit under our old senior credit facility and $60.8 million of our 13% senior subordinated notes. The term "subsidiary guarantor" is defined under the heading "Description of Debentures--Subsidiary Guarantees." The terms "senior indebtedness" and "senior subordinated indebtedness" are defined under the heading "Description of Debentures--Ranking."

A substantial portion of our assets is held by subsidiaries that are not guarantors of the debentures. Accordingly, the debentures are effectively subordinated to all existing and future liabilities of these non-guarantor subsidiaries. See "Risk Factors--The debentures are unsecured and subordinated to our senior indebtedness, and the guarantee of each subsidiary guarantor is unsecured and subordinated to its senior indebtedness."

Neither we nor any of our subsidiaries are subject to any financial covenants under the indenture.

Holders are not afforded protection under the indenture in the event of a highly leveraged transaction or a change in control of Actuant except to the extent described below under "--Repurchase of Debentures at a Holder's Option Upon a Designated Event."

Under the indenture governing the debentures, we have agreed, and by acceptance of a beneficial interest in the debentures each beneficial owner of the debentures is deemed to have agreed, among other things, for United States federal income tax purposes, to treat the debentures as indebtedness that is subject to the regulations governing contingent payment debt instruments and, for purposes of those regulations, to treat the fair market value of any stock received upon any conversion of the debentures as a contingent payment, and the discussion herein assumes that such treatment is correct. However, the characterization of instruments such as the debentures and the application of such regulations is not entirely certain in several respects. See "Material United States Federal Income Tax Considerations."

The debentures are debt instruments that are subject to the contingent payment debt regulations. Therefore, the debentures were issued with original issue discount for United States federal income tax purposes, which we refer to as tax original issue discount. In general, beneficial owners of the debentures are required to accrue interest income on the debentures for United States federal income tax purposes in the manner described herein, regardless of whether such owners use the cash or accrual method of tax accounting. Beneficial owners are required, in general, to accrue interest each year, as tax original issue discount, based on the rate at which we would have issued a noncontingent, nonconvertible, fixed-rate debt instrument with terms and conditions otherwise similar to those of the debentures, rather than at a lower rate based on the accrual on the debentures for non-tax purposes (i.e., in excess of the stated semiannual regular cash interest payments and any contingent interest payments) actually received in that year. Accordingly, owners of the debentures generally

are required to include tax original issue discount as interest in taxable income in each year in excess of the accruals on the debentures for non-tax purposes. Furthermore, upon a sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of a debenture, holders will recognize gain or loss equal to the difference between the amount realized and their adjusted tax basis in the debenture. The amount realized will include the fair market value of shares of our common stock received upon conversion. Any gain recognized on a sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of a debenture will be treated as ordinary interest income. Holders are expected to consult their own tax advisors as to the United States federal, state, local or other tax consequences of acquiring, owning and disposing of the debentures.

REGULAR INTEREST

The debentures bear interest at a rate of 2% per annum from November 10, 2003, or from the most recent date to which interest has been paid or duly provided for. We will also pay contingent interest under certain circumstances as described under "--Contingent Interest." We will pay interest, including contingent interest, if any, semiannually in arrears on May 15 and November 15 of each year, beginning May 15, 2004 (each an "interest payment date"), to holders of record at the close of business on the preceding May 1 and November 1 (each, a "record date"), respectively.

We maintain an office in the Borough of Manhattan, The City of New York, where we will pay the principal and interest on the debentures and holders may present the debentures for conversion, registration of transfer or exchange for other denominations, which shall initially be an office or agency of the trustee. We may pay interest by check mailed to a holder's address as it appears in the debenture register, provided that holders with an aggregate principal amount of debentures in excess of $10 million shall be paid, at their written election, by wire transfer in immediately available funds. However, payments to The Depository Trust Company, New York, New York, which we refer to as DTC, will be made by wire transfer of immediately available funds to the account of DTC or its nominee.

Interest is computed on the basis of a 360-day year comprised of twelve 30-day months. If any date for the payment of interest, contingent interest, if any, or liquidated damages, if any, is not a business day, then the applicable payment will be made on the next succeeding day that is a business day and without any interest or other payment in respect of the delay. If any redemption date, repurchase date or maturity date is not a business day, then the payment of principal and accrued interest, if any, contingent interest, if any, and

liquidated damages, if any, will be made on the next succeeding day that is a business day and without any interest or other payment in respect of the delay.

CONVERSION OF THE DEBENTURES

Subject to the conditions and during the periods described below, holders may convert any of their debentures, in whole or in part, into shares of our common stock prior to the close of business on the last business day prior to the final maturity date of the debentures initially at a conversion rate of 25.0563 shares of common stock per $1,000 principal amount of debentures, subject to adjustment as described below, which represents an initial conversion price of approximately $39.91 per share. A holder may convert debentures in denominations of $1,000 principal amount and integral multiples of $1,000.

To convert debentures into common stock, a holder must do the following:

- complete and deliver a conversion notice to the conversion agent;
- if the debenture is in certificated form, surrender the debenture to the conversion agent, and furnish, if required, appropriate endorsements and transfer documents; and
- if required, pay any amounts due, including funds equal to accrued interest and contingent interest, if any, under the circumstances described below, and taxes or duties, if any.

The date a holder complies with these requirements is the conversion date under the indenture. If a holder's interest is a beneficial interest in a global debenture, to convert such holder must comply with the first and third requirements listed above and comply with the depositary's procedures for converting a beneficial interest in a global debenture. A certificate, or a book-entry transfer through DTC, for the number of full shares of our common stock into which any debentures are converted, together with a cash payment for any fractional shares, will be delivered through the conversion agent as soon as practicable, but no later than the fifth business day, following the conversion date.

Upon conversion, a holder will not receive any cash payment of interest, including contingent interest, if any. We will not issue fractional common shares upon conversion of the debentures. Instead, we will pay cash in lieu of fractional shares based on the closing sale price of the common stock on the trading day prior to the conversion date. Our delivery to the holder of the full number of shares of our common stock into which a debenture is convertible, together with any cash payment for such holder's fractional shares, will be deemed to satisfy our obligation to pay the principal amount of the debenture and the accrued but unpaid cash interest, including contingent interest, if any, and accrued tax original issue discount through the conversion date. Thus, the accrued but unpaid interest, including contingent interest, if any, and accrued tax original issue discount through the conversion date will be deemed to be paid in full rather than cancelled, extinguished or forfeited. For a discussion of the tax treatment to you of receiving our common stock upon conversion, see "Material United States Federal Income Tax Considerations."

Notwithstanding the preceding paragraph, if debentures are converted after a record date but on or prior to the next interest payment date, holders of such debentures at the close of business on the record date will receive the interest, including contingent interest, if any, payable on such debentures on the corresponding interest payment date notwithstanding the conversion. Such debentures, upon surrender for conversion, must be accompanied by funds equal to the amount of interest, including contingent interest, if any, which will be payable on the debentures so converted; provided that no such payment need be made (1) if we have called the debentures being converted for redemption on a redemption date that is after that record date but on or prior to the next interest payment date, (2) if we have specified a repurchase date following a designated event that is after that record date but on or prior to the next interest payment date or (3) to the extent of any overdue interest or overdue contingent interest, if any, at the time of conversion with respect to such debenture.

Holders may surrender their debentures for conversion into shares of our common stock in only the following circumstances:

Conversion Upon Satisfaction of Sale Price Condition

A holder may surrender any of its debentures for conversion into our common stock prior to the close of business on the last business day prior to the maturity date during any fiscal quarter (but only during such fiscal quarter) commencing after November 30, 2003 if the closing sale price of our common stock exceeds 120% of the then effective conversion price for at least 20 trading days in the 30 consecutive trading days ending on the last trading day of the preceding fiscal quarter.

The "closing sale price" of our common stock on any date means the closing per share sale price (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which our common stock is traded or, if our common stock is not listed on a United States national or regional securities exchange, as reported by the Nasdaq National Market, or if our common stock is not quoted on the Nasdaq National Market, by the National Quotation Bureau Incorporated. In the absence of such a quotation, we will determine the closing sale price on the basis we consider appropriate. The "conversion price" as of any day will equal $1,000 divided by the conversion rate.

Conversion Upon Notice of Redemption

If we call debentures for redemption, holders may convert the debentures or portions thereof called for redemption (and only the debentures or portions thereof called for redemption) until the close of business on the business day immediately preceding the redemption date, after which time the holders' right to convert such debentures will expire unless we default in the payment of the redemption price. If a holder has already delivered a repurchase notice or a designated event repurchase notice with respect to a debenture called for redemption, however, the holder may not surrender that debenture for conversion until the holder has withdrawn the notice in accordance with the indenture.

Conversion Upon Credit Ratings Event

Holder may convert debentures during any period in which our senior subordinated debt credit rating is below B3 by Moody's and below B- by Standard and Poor's or during any period when neither Moody's or Standard and Poor's rates our senior subordinated debt. If only one such rating agency rates our senior subordinated debt and such credit rating falls below the applicable level specified above, holders may convert their debentures during the period such debt rating is below such level. The debentures will cease to be convertible

pursuant to this paragraph during any period or periods in which the credit ratings or rating, as the case may be, are above such levels.

Conversion Upon Specified Transactions

If we elect to:

- distribute to all holders of our common stock certain rights or warrants to purchase our common stock for a period expiring within 45 days of the record date for such distribution at a price less than the closing sale price of our common stock on the trading day immediately preceding the declaration date for such distribution; or

- distribute to all holders of our common stock, assets, debt securities or rights to purchase our securities, which distribution has a per share value exceeding 15% of the closing sale price of our common stock on the trading day preceding the declaration date for such distribution;

we must notify the holders of debentures at least 20 days prior to the ex-dividend date for such distribution. Once we have given such notice, holders may surrender their debentures for conversion at any time until the earlier of the close of business on the business day prior to the ex-dividend date or any announcement by us that such distribution will not take place, even if the debentures are not otherwise convertible at such time. No holder may exercise this right to convert if the holder otherwise will participate in the distribution without conversion. The ex-dividend date is the first date upon

which a sale of the common stock does not automatically transfer the right to receive the relevant distribution from the seller of the common stock to its buyer.

In addition, if we are a party to a consolidation, merger, binding share exchange or sale of all or substantially all of our assets, in each case pursuant to which our common stock would be converted into cash, securities or other property, a holder may surrender debentures for conversion at any time from and after the date that is 15 days prior to the date announced by us as the anticipated effective date of the transaction until and including the date that is 15 days after the actual date of such transaction (or, if such merger, consolidation or share exchange also constitutes a designated event, until the corresponding designated event repurchase date). If we are a party to a consolidation, merger, binding share exchange or sale of all or substantially all of our assets, in each case pursuant to which our common stock is converted into cash, securities, or other property, then at the effective time of the transaction, the right to convert a debenture into our common stock will be changed into a right to convert it into the kind and amount of cash, securities and other property that a holder would have received if the holder had converted its debentures immediately prior to the transaction. If the transaction also constitutes a designated event, a holder can require us to repurchase all or a portion of their debentures as described under "--Repurchase of Debentures at a Holder's Option Upon a Designated Event."

Conversion Rate Adjustments

The conversion rate is subject to adjustment, without duplication, upon the occurrence of any of the following events:

(1) the issuance of common stock as a dividend or distribution to all holders of our common stock;

(2) the issuance to all holders of common stock of rights, warrants or options to purchase our common stock for a period expiring within 45 days of the record date for such distribution at a price less than the average of the closing sale price for the 10 trading days preceding the declaration date for such distribution; provided that the conversion price will be readjusted to the extent that such rights, warrants or options are not exercised;

(3) subdivisions, splits or combinations of our common stock;

(4) any cash distributions or dividends to all holders of our common stock;

(5) distributions to all holders of our common stock of shares of our capital stock, evidences of indebtedness, property or assets, including securities, but excluding dividends or distributions covered by clauses (1), (2) or (4) above;

In the event that we distribute capital stock of, or similar equity interests in, a subsidiary or other business unit of ours, then the conversion rate will be adjusted based

on the market value of the securities so distributed relative to the market value of our common stock, in each case based on the average closing sales prices of those securities (where such closing prices are available) for the 10 trading days commencing on and including the fifth trading day after the date on which "ex-dividend trading" commences for such distribution on the New York Stock Exchange or such other principal national or regional exchange or market on which the securities are then listed or quoted, or in the absence of such a quotation, a closing sale price determined by us on the basis we consider appropriate;

(6) the successful completion of a tender or exchange offer (the "subject offer") by us for our common stock that involves an aggregate consideration that, together with any cash and the fair market value, as of the expiration of the applicable tender or exchange offer (other than consideration payable in respect of any odd-lot tender offer), of consideration paid by us in respect of any other tender or exchange offer or offers for shares of common stock concluded within the preceding 12 months, exceeds 1.0% of the average of: (a) the closing sale price of the common stock on each of the ten trading days

immediately prior to the expiration of the subject offer multiplied by (b) the number of shares of common stock outstanding on such trading day;

(7) someone other than us makes a payment in respect of a tender offer or exchange offer in which, as of the closing date of the offer, our board of directors is not recommending rejection of the offer. The adjustment referred to in this clause will only be made if:

- the tender offer or exchange offer is for an amount that increases the offeror's ownership of common stock to more than 50% of the total shares of common stock outstanding; and
- the cash and value of any other consideration included in the payment per share of common stock exceeds the closing sale price per share of common stock on the trading day next succeeding the last date on which tenders or exchanges may be made pursuant to the tender or exchange offer;

however, the adjustment referred to in this clause will generally not be made if as of the closing of the offer, the offering documents disclose a plan or an intention to cause us to engage in a consolidation or merger or a sale of all or substantially all of our assets; and

(8) successful completion of an exchange offer of our Class B common stock, if any, into shares of our common stock concluded within the preceding 12 months that exceeds 1.0% of the average of (a) the closing sale price of the common stock on each of the ten trading days immediately prior to expiration of the exchange offer multiplied by (b) the number of shares of common stock outstanding on such trading day.

The conversion rate adjustments described in this section do not apply to dividends or other distributions to holders of our Class B common stock, if any, except as provided in clause (8) above. No shares of Class B common stock are currently outstanding.

To the extent that we have a rights plan in effect upon conversion of the debentures into common stock, holders will receive, in addition to the common stock, the rights under the rights plan unless the rights have separated from the common stock at the time of conversion, in which case the conversion rate will be adjusted as if we distributed to all holders of our common stock, shares of our capital stock, evidences of indebtedness or assets as described in clause (5) above, subject to readjustment in the event of the expiration, termination or redemption of such rights.

In the event of:

- any reclassification of our common stock;
- a consolidation, merger or combination involving us; or
- a sale or conveyance to another person or entity of all or substantially all of our property and assets;

in which holders of our common stock would be entitled to receive stock, other securities, other property, assets or cash for their common stock, upon conversion of the debentures a holder will be entitled to receive the same type of consideration that they would have been entitled to receive if such holder had converted the debentures into our common stock immediately prior to any of these events.

Holders may in certain situations be deemed to have received a distribution subject to U.S. federal income tax as a dividend in the event of any taxable distribution to holders of common stock or in certain other situations requiring a conversion rate adjustment. See "Certain U.S. Federal Income Tax Considerations."

We may, from time to time, increase the conversion rate if our board of directors has made a determination that this increase would be in our best interests. Any such determination by our board will be conclusive. In addition, we may increase the conversion rate if our board of directors deems it advisable to avoid or diminish any income tax to holders of common stock resulting from

any stock or rights distribution. See "Certain U.S. Federal Income Tax Considerations."

We will not be required to make an adjustment in the conversion rate unless the adjustment would require a change of at least 1% in the conversion rate. However, we will carry forward any adjustments that are less than 1% of the conversion rate. Except as described above in this section, we will not adjust the conversion rate for any issuance of our common stock or convertible or exchangeable securities or rights to purchase our common stock or convertible or exchangeable securities.

CONTINGENT INTEREST

Beginning with the six-month interest period commencing November 15, 2010, we will pay contingent interest to the holders of debentures during any six-month interest period if the trading price, as defined below, of the debentures for each of the five trading days immediately preceding the first day of the applicable six-month interest period equals or exceeds 120% of the principal amount of the debentures.

During any period when contingent interest shall be payable, the contingent interest payable per $1,000 principal amount of the debentures will equal 0.25% per six-month interest period of the average trading price of $1,000 principal amount of the debentures during the five trading days immediately preceding the first day of the applicable six-month interest period. We will make contingent interest payments in the same manner as regular interest payments.

The "trading price" of the debentures on any date of determination means the average of the secondary market bid quotations per $1,000 principal amount of the debentures obtained by the trustee for $10,000,000 principal amount of the debentures at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers we select, provided that if three such bids cannot reasonably be obtained by the trustee, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the trustee, this one bid shall be used.

We will notify the holders upon determination that they will be entitled to receive contingent interest during a six-month interest period.

OPTIONAL REDEMPTION BY ACTUANT

Prior to November 20, 2010, the debentures are not redeemable. On or after November 20, 2010, we may redeem the debentures in whole or from time to time in part at a redemption price equal to 100% of the principal amount of the debentures being redeemed, plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any, up to, but excluding, the redemption date, unless the redemption date falls after a record date and on or prior to the corresponding interest payment date, in which case we will pay the full amount of accrued and unpaid interest payment to the interest payment date, including contingent interest, if any, and liquidated damages, if any, on such interest payment date to the holder of record at the close of business on the corresponding record date. We are required to give notice of redemption by mail to holders not more than 60 but not less than 30 days prior to the redemption date.

If less than all of the outstanding debentures are to be redeemed, the trustee will select the debentures to be redeemed in principal amounts of $1,000 or multiples of $1,000 by lot, pro rata or by another method the trustee considers fair and appropriate. If a portion of a holder's debentures is selected for partial redemption and such holder converts a portion of their debentures, the converted portion will be deemed to the extent practicable to be

of the portion selected for redemption.

We may not redeem the debentures if we have failed to pay any interest or contingent interest, if any, on the debentures and such failure to pay is continuing.

REPURCHASE AT OPTION OF THE HOLDER

Holders have the right to require us to repurchase the debentures on November 15, 2010, November 15, 2013 and November 15, 2018 for cash. We will be required to repurchase any outstanding debenture for which a holder delivers a written repurchase notice to the paying agent. The paying agent will initially be the trustee. This notice must be delivered during the period beginning at any time from the opening of business on the date that is 20 business days prior to the relevant repurchase date until the close of business on the last business day prior to the repurchase date. A holder may withdraw its repurchase notice at any time prior to the close of business on the last business day prior to the repurchase date. If a repurchase notice is given and withdrawn during that period, we will not be obligated to repurchase the debentures listed in the notice. Our repurchase obligation will be subject to certain additional conditions.

The repurchase price payable for a debenture is equal to 100% of the principal amount of the debentures to be repurchased plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any, up to, but excluding, the repurchase date. The portion of the repurchase price representing accrued and unpaid interest, any contingent interest and liquidated damages will be paid on the repurchase date to the holders of record at the close of business on the preceding record date.

We must give notice of an upcoming repurchase date to all debenture holders not less than 20 business days prior to the repurchase date at their addresses shown in the register of the registrar. We will also give notice to beneficial owners as required by applicable law. This notice will state, among other things, the repurchase price and the procedures that holders must follow to require us to repurchase their debentures.

The repurchase notice from the holder must state:

- if certificated debentures have been issued, the debenture certificate numbers (or, if the debentures are not certificated, the repurchase notice must comply with appropriate DTC procedures);
- the portion of the principal amount of the debentures to be repurchased, which must be in $1,000 multiples; and
- that the debentures are to be repurchased by us pursuant to the applicable provisions of the indenture.

Holders may withdraw any written repurchase notice by delivering a written notice of withdrawal to the paying agent prior to the close of business on the last business day prior to the repurchase date. The withdrawal notice must state:

- the principal amount of the withdrawn debentures;
- if certificated debentures have been issued, the certificate numbers of the withdrawn debentures (or, if the debentures are not certificated, the withdrawal notice must comply with appropriate DTC procedures); and
- the principal amount, if any, which remains subject to the repurchase notice.

Payment of the repurchase price for a debenture for which a repurchase notice has been delivered and not withdrawn is conditioned upon book-entry transfer or delivery of the debenture, together with necessary endorsements, to the paying agent at its corporate trust office in the Borough of Manhattan, The City of New York, or any other office of the paying agent, at any time after delivery of the repurchase notice. Payment of the repurchase price for the debenture will be made promptly following the later of the repurchase date and the time of book-entry transfer or delivery of the debenture. If the paying agent holds money sufficient to pay the repurchase price of the debenture on the business day following the repurchase date, then, on and after such date:

- the debenture will cease to be outstanding;
- interest will cease to accrue; and

- all other rights of the holder will terminate, other than the right to

receive the repurchase price upon delivery of the debenture.

This will be the case whether or not book-entry transfer of the debenture has been made or the debenture has been delivered to the paying agent. No debentures may be repurchased by us at the option of holders on November 15, 2010, November 15, 2013 or November 15, 2018 if the principal amount of the debentures has been accelerated, and such acceleration has not been rescinded on or prior to such date.

Pursuant to the indenture, we will:

- comply with the provisions of Rule 13e-4 and Rule 14e-1, if applicable, under the Exchange Act;
- file a Schedule TO or any successor or similar schedule if required under the Exchange Act; and
- otherwise comply with all federal and state securities laws in connection with any offer by us to repurchase the debentures.

We may be unable to repurchase the debentures if holders elect to require us to repurchase the debentures pursuant to this provision. If holders elect to require us to repurchase the debentures, we may not have enough funds to pay the repurchase price for all tendered debentures. Our senior credit agreement contains, and other agreements relating to our indebtedness may contain, provisions prohibiting repurchase of the debentures. If holders elect to require us to repurchase the debentures at a time when we are prohibited from repurchasing debentures, we could seek the consent of our lenders to repurchase the debentures or attempt to refinance this debt. If we do not obtain consent, we would not be permitted to repurchase the debentures. Our failure to repurchase tendered debentures would constitute an event of default under the indenture, which might constitute a default under the terms of our other indebtedness. See "Risk Factors--We may be unable to repurchase or repay your debentures."

REPURCHASE OF DEBENTURES AT A HOLDER'S OPTION UPON A DESIGNATED EVENT

A holder will have the right to require us to repurchase for cash all or any part of the debentures after the occurrence of a designated event at a repurchase price equal to 100% of the principal amount plus accrued and unpaid interest, including contingent interest, and liquidated damages, if any, up to, but excluding, the repurchase date. Debentures submitted for repurchase must be $1,000 or an integral multiple thereof.

On or before the 20th day after the occurrence of a designated event, we will provide to all holders of the debentures and the trustee and paying agent a notice of the occurrence of the designated event and of the resulting repurchase right. Such notice shall state, among other things, the procedures that holders must follow to require us to repurchase the debentures, the date of the designated event and the date we will repurchase the debentures for which we receive a notice from the holders thereof, as described below, which date shall not be later than 35 business days after the date of our notice of the occurrence of the relevant designated event subject to extension to comply with applicable law (the "designated event repurchase date").

Simultaneously with providing such notice, we will publish a notice containing this information in a newspaper of general circulation in The City of New York, or publish the information on our website or through such other public medium as we may use at that time.

To exercise the repurchase right, a holder must deliver, on or before the 30th business day after the date of our notice of a designated event, subject to extension to comply with applicable law, the debentures to be repurchased, duly endorsed for transfer, together with a written repurchase notice and the form entitled "Form of Designated Event Repurchase Notice" on the reverse side of the debentures duly completed, to the paying agent. The repurchase notice must state:

- if certificated debentures have been issued, the debenture certificate numbers (or, if the debentures are not certificated, the repurchase notice must comply with appropriate DTC procedures);

- the portion of the principal amount of the debentures to be repurchased, which must be in $1,000 multiples; and
- that the debentures are to be repurchased by us pursuant to the applicable provisions of the indenture.

Holders may withdraw any written repurchase notice by delivering a written notice of withdrawal to the paying agent prior to the close of business

on the last business day prior to the designated event repurchase date. The withdrawal notice must state:

- the principal amount of the withdrawn debentures;
- if certificated debentures have been issued, the certificate numbers of the withdrawn debentures (or, if the debentures are not certificated, the withdrawal notice must comply with appropriate DTC procedures); and
- the principal amount, if any, which remains subject to the repurchase notice.

Payment of the repurchase price for a debenture for which a repurchase notice has been delivered and not withdrawn is conditioned upon book-entry transfer or delivery of the debenture, together with necessary endorsements, to the paying agent at its corporate trust office in the Borough of Manhattan, The City of New York, or any other office of the paying agent, at any time after delivery of the repurchase notice. Payment of the designated event repurchase price for the debenture will be made promptly following the later of the designated event repurchase date and the time of book-entry transfer or delivery of the debenture. If the paying agent holds money sufficient to pay the designated event repurchase price of the debenture on the business day following the designated event repurchase date, then, on and after such date:

- the debenture will cease to be outstanding;
- interest will cease to accrue; and
- all other rights of the holder will terminate, other than the right to receive the designated event repurchase price upon delivery of the debenture.

This will be the case whether or not book-entry transfer of the debenture has been made or the debenture has been delivered to the paying agent.

Pursuant to the indenture, we will:

- comply with the provisions of Rule 13e-4 and Rule 14e-1, if applicable, under the Exchange Act;
- file a Schedule TO or any successor or similar schedule if required under the Exchange Act; and
- otherwise comply with all federal and state securities laws in connection with any offer by us to repurchase the debentures.

A "designated event" will be deemed to have occurred if any of the following occurs:

- any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) other than us, our subsidiaries or our or their employee benefit plans becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 of the Exchange Act, except that a person shall be deemed to have beneficial ownership of all shares that such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of our outstanding voting stock (for the purpose of this bullet point a person shall be deemed to beneficially own the voting stock of a corporation that is beneficially owned by another corporation (a "parent corporation") if such person

beneficially owns at least 50% of the aggregate voting power of all classes of voting stock of such parent corporation);

- during any period of two consecutive years, individuals who at the beginning of such period constituted our board of directors (together with any new directors whose election to such board or whose nomination for election by our stockholders, was approved by a vote of at least 66?% of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of such board of directors then in office;
- we consolidate with or merge with or into any person or convey, transfer, sell, or otherwise dispose of or lease all or substantially all of our assets to any person, or any corporation consolidates with or merges into or with us, in any such event pursuant to a transaction in which any of our outstanding common stock or other voting stock is changed into or exchanged for cash, securities or other property, other than any such transaction where none of our outstanding common stock or other voting stock is changed or exchanged at all (except to the extent necessary to reflect a change in our jurisdiction of incorporation), or

where (A) all of our outstanding common stock and other voting stock is changed into or exchanged for (x) voting stock of the surviving corporation which is not "disqualified equity interests" or (y) cash, securities and other property (other than equity interests of the surviving corporation) and (B) no "person" or "group" owns immediately after such transaction, directly or indirectly, more than 50% of the total voting power of the outstanding voting stock of the surviving corporation, other than any "person" or "group" who owned more than 50% of the total voting power of our outstanding voting stock immediately prior to such transaction;

- we are liquidated or dissolved or adopt a plan of liquidation or dissolution other than in a transaction which complies with the provisions described under "--Merger and Sale of Assets"; or

- our common stock ceases to be listed on the New York Stock Exchange or another established national securities exchange or automated over-the-counter trading market in the United States.

However, a designated event will not be deemed to have occurred if either:

(1) the closing sale price of our common stock for any five trading days within:

- the period of ten consecutive trading days immediately after the later of the designated event or the public announcement of the designated event, in the case of a designated event resulting solely from a designated event under the first bullet point above; or

- the period of ten consecutive trading days immediately preceding the designated event, in the case of a designated event under the second, third and fourth bullet points above;

is at least equal to 105% of the quotient where the numerator is $1,000 and the denominator is the conversion rate in effect on each of those five trading days; or

(2) in the case of a merger or consolidation, at least 95% of the consideration, excluding cash payments for fractional shares, in the merger or consolidation constituting the designated event, consists of common stock traded on a United States national securities exchange or quoted on the Nasdaq National Market system (or which will be so traded or quoted when issued or exchanged in connection with such designated event) and as a result of such transaction or transactions the debentures become convertible solely into such common stock.

For purposes of this designated event definition, "voting stock" means stock of the class or classes pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of a corporation or other entity (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

The definition of designated event includes a phrase relating to the conveyance, transfer, sale, lease or other disposition of "all or substantially all" of our assets. There is no precise, established definition of the phrase "substantially all" under New York law, which governs the indenture and debentures, or under the laws of Wisconsin, our state of incorporation. Accordingly, a holder's ability to require us to repurchase its debentures as a result of a conveyance, transfer, sale, lease or other disposition of less than all of our assets may be uncertain.

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This designated event repurchase feature may make more difficult or discourage a takeover of us and the removal of incumbent management. However, we are not aware of any specific effort to accumulate shares of our capital stock with the intent to obtain control of us by means of a merger, tender offer, solicitation or otherwise. In addition, the designated event repurchase feature is not part of a plan by management to adopt a series of anti-takeover provisions.

We could, in the future, enter into certain transactions, including recapitalizations, that would not constitute a designated event but would increase the amount of debt outstanding or otherwise adversely affect a holder. Neither we nor our subsidiaries are prohibited from incurring debt under the indenture. The incurrence of significant amounts of additional debt could adversely affect our ability to service our debt, including the debentures.

We may be unable to repurchase the debentures if holders elect to

require us to repurchase the debentures pursuant to this provision. If holders elect to require us to repurchase the debentures, we may not have enough funds to pay the designated event repurchase price for all tendered the debentures. Our senior credit agreement contains, and other agreements relating to our indebtedness may contain, provisions prohibiting repurchase of the debentures. If holders elect to require us to repurchase the debentures at a time when we are prohibited from repurchasing debentures, we could seek the consent of our lenders to repurchase the debentures or attempt to refinance this debt. If we do not obtain consent, we would not be permitted to repurchase the debentures. Our failure to repurchase tendered debentures would constitute an event of default under the indenture, which might constitute a default under the terms of our other indebtedness. See "Risk Factors--We may be unable to repurchase or repay your debentures."

MERGER AND SALE OF ASSETS

The indenture provides that we may not consolidate with or merge with or into any other person or sell, convey, transfer or lease our properties and assets as an entirety or substantially as an entirety to another person, unless among other items:

- we are the surviving person, or the resulting, surviving or transferee person, if other than us, is organized and existing under the laws of the United States, any state thereof or the District of Columbia;
- the successor person assumes, by supplemental indenture satisfactory in form and substance to the trustee, all of our obligations under the debentures, the registration rights agreement and the indenture;
- after giving effect to such transaction, there is no event of default, and no event which, after notice or passage of time or both, would become an event of default; and
- we have delivered to the trustee an officers' certificate and an opinion of counsel each stating that such consolidation, merger, sale, conveyance, transfer or lease complies with these requirements.

When such a person assumes our obligations in such circumstances, subject to certain exceptions, we shall be discharged from all obligations under the debentures, the registration rights agreement and the indenture.

The indenture does not limit or restrict the ability of any subsidiary guarantor to consolidate with or merge with or into any person or sell, convey, transfer or lease its property or assets.

EVENTS OF DEFAULT; NOTICE AND WAIVER

The following will be "events of default" under the indenture:

- default in payment of any principal of the debentures when the same becomes due and payable, whether at maturity, upon redemption, repurchase or following a designated event or otherwise;
- default for 30 days in payment of any interest, including contingent interest, if any, when due and payable on the debentures;
- default in our obligations to satisfy our conversion obligation upon exercise of a holder's conversion right, unless such default is cured within ten days after written notice of default is given to us by the trustee or the holder of such debenture;
- our indebtedness or indebtedness of any subsidiary guarantor or any of our significant subsidiaries, as defined (other than indebtedness that is owed to us or any of our subsidiaries) is not paid within any applicable grace period after the final maturity of such indebtedness or is accelerated by the holders thereof due to a default under the terms therein and the total amount of such indebtedness unpaid or accelerated exceeds $7.5 million (or its equivalent in any other currency or currencies);
- failure by us to comply with our obligations under "--Merger and Sale of Assets;"
- default in our performance of our covenants described under "--Repurchase of Debentures at a Holder's Option Upon a Designated Event" (other than a failure to repurchase debentures, which would constitute an event of default under some of the other provisions described above);
- default in our or any subsidiary guarantor's performance of any other covenants or agreements contained in the indenture or the debentures or guarantees for 60 days after written notice to us by the trustee or by

the holders of at least 25% in aggregate principal amount of the debentures then outstanding;

- any judgment or decree for the payment of money in excess of $7.5 million (excluding judgments to the extent covered by insurance by one or more reputable insurers and as to which such insurers have acknowledged coverage for) is entered against us, any subsidiary guarantor or any significant subsidiary, remains outstanding for a period of 60 days following entry of such judgment and is not discharged, bonded, waived or stayed within 30 days after written notice;

- a guarantee of a significant subsidiary ceases to be in full force and effect (other than in accordance with the terms of the indenture) or is declared to be null and void and unenforceable or the guarantee of a significant subsidiary is found to be invalid or a subsidiary guarantor that is a significant subsidiary denies its liability under its guarantee (other than by reason of release of the subsidiary guarantor in accordance with the terms of the indenture), provided, however, that an event of default will also be deemed to occur with respect to subsidiary guarantors that are not significant subsidiaries ("insignificant subsidiaries") if the guarantees of such insignificant subsidiaries cease to be in full force and effect (other than in accordance with the terms of the indenture) or are declared null and void and unenforceable or the guarantees of such insignificant subsidiaries are found to be invalid or such insignificant subsidiaries deny their liability under their guarantees (other than by reason of release of the subsidiary guarantors in accordance with the terms of the indenture), if when aggregated and taken as a whole, those insignificant subsidiaries providing guarantees on the debentures would meet the definition of a significant subsidiary; and

- certain events of bankruptcy, insolvency and reorganization of us, any subsidiary guarantor or any of our significant subsidiaries.

The term "significant subsidiary" means any of our subsidiaries that is a "significant subsidiary," as defined in Rule 1-02(w) of Regulation S-X.

We will deliver to the trustee, written notice of any event of default under the fourth or seventh bullet above within 30 days of its occurrence. In addition, we will give written notice to the trustee within 30 days of any event which with the giving of notice or the lapse of time would become an event of default under the ninth bullet above.

The trustee may withhold notice to the holders of the debentures of any default, except defaults in payment of principal, interest, including contingent interest, if any, or liquidated damages, if any, on the debentures. However, the trustee must consider it to be in the interest of the holders of the debentures to withhold this notice.

If an event of default (other than an event of default due to certain events of bankruptcy, insolvency or reorganization of us) occurs and continues, the trustee or the holders of at least 25% in principal amount of the outstanding debentures may declare the principal of and accrued and unpaid interest, contingent interest, if any, and liquidated damages, if any, on the outstanding debentures to be immediately due and payable. In case an event of default due to events of bankruptcy, insolvency or reorganization involving us occurs and continues, the principal of and accrued and unpaid interest, contingent interest, if any, and liquidated damages, if any, on the debentures will automatically become due and payable. However, if we cure all defaults, except the nonpayment of principal, interest, contingent interest, if any, and liquidated damages, if any, that became due as a result of the acceleration, and meet certain other conditions, with certain exceptions, this declaration may be cancelled by the holders of a majority of the principal amount of outstanding debentures.

Payments of principal of and interest, including contingent interest, if any, or liquidated damages, if any, on the debentures that are not made when due will accrue interest from the required payment date at the annual rate of 1% above the then applicable interest rate for the debentures.

The holders of a majority of outstanding debentures will have the right to direct the time, method and place of any proceedings for any remedy available to the trustee, subject to limitations specified in the indenture.

No holder of the debentures may pursue any remedy under the indenture, except in the case of a default in the payment of principal of, or interest, including contingent interest, if any, or liquidated damages, if any, on the debentures, or for a failure to convert debentures, unless:

- the holder has given the trustee written notice of an event of default;
- the holders of at least 25% in principal amount of outstanding debentures make a written request, and offer reasonable indemnity, to the trustee to pursue the remedy;
- the trustee does not receive an inconsistent direction from the holders of a majority in principal amount of the debentures within 60 days after receipt of the request and offer of indemnity; and
- the trustee fails to comply with the request within 60 days after receipt of the request and offer of indemnity.

We will deliver to the trustee, within 120 days after the end of each fiscal year, an officers' certificate as to such officers' knowledge of our and each guarantor's compliance with all conditions and covenants on its part contained in the indenture and stating whether or not the signer knows of any default or event of default.

MODIFICATION AND WAIVER

The consent of the holders of a majority in principal amount of the outstanding debentures is required to modify or amend the indenture. However, a modification or amendment requires the consent of the holder of each outstanding debenture if it would:

- extend the fixed maturity of any debenture;
- reduce the rate or extend the time for payment of interest or contingent interest, if any, or liquidated damages, if any, of any debenture;
- reduce the principal amount or premium of any debenture;
- reduce any amount payable upon redemption or repurchase of any debenture;

- adversely change our obligation to redeem any debentures on a redemption date;
- adversely change our obligation to repurchase any debenture at the option of the holder;
- adversely change our obligation to repurchase any debenture upon a designated event;
- impair the right of a holder to institute suit for payment on any debenture;
- change the currency in which any debenture is payable;
- impair the right of a holder to convert any debenture or reduce the number of shares of common stock or any other property receivable upon conversion;
- affect the ranking of the debentures or the guarantees or change the definition of senior indebtedness;
- release any subsidiary guarantor that is a significant subsidiary from any of its obligations under its guarantee or the indenture other than in accordance with the terms of the indenture;
- reduce the quorum or voting requirements under the indenture; or
- subject to specified exceptions, modify certain of the provisions of the indenture relating to modification or waiver of provisions of the indenture.

We may amend or supplement the indenture or waive any provision of it without the consent of any holders of debentures in some circumstances, including:

- to cure any ambiguity, omission, defect or inconsistency;
- to provide for the assumption of our obligations under the indenture by a successor upon any merger, consolidation or asset transfer permitted under the indenture;
- to comply with any requirement to effect or maintain the qualification of the indenture under the Trust Indenture Act of 1939;

- to add covenants that would benefit the holders of debentures or to surrender any rights we have under the indenture;

- to add events of default with respect to the debentures; or

- to make any change that does not adversely affect any outstanding debentures in any material respect.

The holders of a majority in principal amount of the outstanding debentures generally may waive any existing or past default or event of default. Those holders may not, however, waive any default or event of default in any payment on any debenture or compliance with a provision that cannot be amended or supplemented without the consent of each holder affected.

PROHIBITION OF INCURRENCE OF SENIOR SUBORDINATED DEBT

Neither we nor any subsidiary guarantor will incur or suffer to exist indebtedness that is senior in right of payment to the debentures or such subsidiary guarantor's guarantee and subordinate in right of payment to any of our other indebtedness or the indebtedness of such subsidiary guarantor, as the case may be.

SUBSIDIARY GUARANTEES

Our obligations pursuant to the debentures, including the repurchase obligation at the option of the holders or resulting from a designated event, are fully and unconditionally guaranteed, jointly and severally, on an unsecured senior subordinated basis, by the subsidiary guarantors. The subsidiary guarantors have agreed to pay, in addition to the amounts stated above, any and all out-of-pocket expenses (including reasonable counsel fees and expenses) incurred by the trustee and the holders in enforcing any rights under the guarantees with respect to the subsidiary guarantors. Each guarantor is wholly-owned by Actuant Corporation.

Each guarantee is limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable subsidiary guarantor, after giving effect to all of its other liabilities, contingent or otherwise (including, without limitation, any guarantees under the senior credit facility or the 13% senior subordinated notes), without rendering its guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws. If any guarantee were to be rendered voidable, it could be subordinated by a court to all other indebtedness (including guarantees and other contingent liabilities) of the relevant subsidiary guarantor, and, depending on the amount of such indebtedness, the subsidiary guarantor's liability on its guarantee could be reduced to zero. See "Risk Factors--Federal and state statutes may allow courts to void or subordinate guarantees and other laws may limit payments under the guarantees."

Upon the sale or other disposition (including by way of consolidation or merger) of the capital stock of a subsidiary guarantor so that it no longer constitutes a subsidiary and so long as all guarantees by such subsidiary guarantor of any of our other senior subordinated or subordinated indebtedness are terminated, such subsidiary guarantor will be released and relieved from all its obligations under the indenture and its guarantee of the debentures shall terminate. In addition, if the lenders under the 13% senior subordinated notes release the guarantee of any guarantor under the 13% senior subordinated notes that is also a subsidiary guarantor, such subsidiary guarantor will be automatically released and relieved of all of its obligations under the indenture and its guarantee of the debentures will terminate; provided, however, if at any time after such release such subsidiary guarantor again becomes a guarantor under the 13% senior subordinates notes, we shall cause such subsidiary guarantor to unconditionally guarantee, pursuant to a supplemental indenture executed and delivered to the trustee and in the form satisfactory to the trustee (together with an officers' certificate and an opinion of counsel each stating that such supplemental indenture complies with the indenture), on a senior subordinated basis, all of our obligations under the debentures and the indenture to the same extent as it guarantees our obligations under the 13% senior subordinated notes.

"Subsidiary guarantors" means (1) each of our subsidiaries providing guarantees under our 13% senior subordinated notes on the date of the indenture and (2) any subsidiary of ours that provides a guarantee pursuant to the covenant described under "--Future Guarantors" or otherwise in the future executes a supplemental indenture in which such subsidiary unconditionally guarantees on a senior subordinated basis our obligations under the debentures and the indenture; provided that any person constituting a subsidiary guarantor as described above shall cease to constitute a subsidiary guarantor when its respective subsidiary guarantee is released in accordance with the terms of the indenture.

FUTURE GUARANTORS

If any of our subsidiaries provides (i) a guarantee of the 13% senior subordinated notes or (ii) if we issue senior subordinated debt or subordinated debt and such senior subordinated debt or subordinated debt is guaranteed by any of our subsidiaries, then such subsidiary will (1) by a supplemental indenture executed and delivered to the trustee, in form satisfactory to the trustee, unconditionally guarantee on a senior subordinated basis all of our obligations under the debentures and the indenture; and (2) deliver to the trustee an officers' certificate and an opinion of counsel each stating that such supplemental indenture complies with the indenture. Thereafter, such subsidiary shall be a subsidiary guarantor for all purposes of the indenture. Without limitation to the foregoing and anything in the indenture notwithstanding, each of our subsidiaries which at any time guarantees the 13% senior subordinated notes shall, so long as it remains a guarantor of the 13% senior subordinated notes, also guarantee the debentures on a senior subordinated basis pursuant to the indenture and a guarantee.

RANKING

The indebtedness evidenced by the debentures and the subsidiary guarantees constitutes senior subordinated obligations of us and the subsidiary guarantors, respectively. The payment of the principal of and interest, contingent interest, if any, and liquidated damages, if any, on the debentures and the payments under each guarantee will be subordinate in right of payment to the prior payment in full in cash of all of our senior indebtedness and all senior indebtedness of the applicable subsidiary guarantor, respectively, including obligations under the senior credit facility.

See "--General" above for information on the amount of our senior indebtedness and the senior indebtedness of our subsidiary guarantors as of a recent date.

The obligations of a subsidiary guarantor under its subsidiary guarantee are subordinate in right of payment to the prior payment in full in cash of all senior indebtedness of such subsidiary guarantor, including its guarantee of obligations under the senior credit facility. Except as noted, the terms of the subordination provisions described herein with respect to our obligations under the debentures apply in a similar fashion to each subsidiary guarantor and the obligations of such subsidiary guarantor under its guarantee.

Only our senior indebtedness ranks senior in right of payment to the debentures pursuant to the provisions of the indenture, and only senior indebtedness of a subsidiary guarantor ranks senior in right of payment to the guarantee of that subsidiary guarantor pursuant to the provisions of the indenture. The debentures and the guarantee of any subsidiary guarantor in all respects have the same rank in right of payment as all our other senior subordinated indebtedness and all other senior subordinated indebtedness of that subsidiary guarantor, respectively, and rank senior in right of payment to any of our future subordinated indebtedness and any future subordinated indebtedness of that subsidiary guarantor, respectively.

We are not permitted to pay principal of, or interest or contingent interest, if any, or liquidated damages, if any, on the debentures and may not repurchase, redeem or otherwise retire any debentures (collectively, "pay the debentures") if:

- any of our designated senior indebtedness, as defined below, is not paid in cash when due; or

- any other default on our designated senior indebtedness occurs and the maturity of such designated senior indebtedness is accelerated in accordance with its terms;

unless, in either case, the default has been cured or waived and any such acceleration has been rescinded or such designated senior indebtedness has been paid in full in cash. Regardless of the foregoing, we are permitted to pay the debentures if we and the trustee receive written notice approving such payment from representatives of the designated senior indebtedness.

During the continuance of any default (other than a default described in the bullet points in the preceding paragraph with respect to any of our designated senior indebtedness pursuant to which the maturity thereof may be accelerated immediately without further notice (except such notice as may be required to effect such acceleration) or after the expiration of any applicable grace periods, we are not permitted to make a payment on the debentures for a period (a "payment blockage period") commencing upon the receipt by the trustee (with a copy to us) of written notice (a "blockage notice") of such default from the representative of the holders of such designated senior indebtedness specifying an election to effect a payment blockage period and ending 179 days thereafter. The payment blockage period will end earlier if such payment

blockage period is terminated:

- by written notice to the trustee and to us from the person or persons who gave such blockage notice;
- because the default giving rise to such blockage notice is cured, waived or no longer continuing; or
- because such designated senior indebtedness has been discharged or paid in full in cash.

Notwithstanding the provisions described above, unless the holders of such designated senior indebtedness or the representative of such holders have accelerated the maturity of such designated senior indebtedness, we are permitted to resume paying the debentures after the end of such payment blockage period. The debentures shall not be subject to more than one payment blockage period in any consecutive 360-day period irrespective of the number of defaults with respect to our designated senior indebtedness during such period and no default that existed upon the commencement of a payment blockage period with respect to our designated senior indebtedness initiating such payment blockage (whether or not such default is on the same issue of designated senior indebtedness) shall be made the basis for the commencement of any other payment blockage period by the representatives of the holders of such designated senior indebtedness, unless such default has been cured or waived for a period of not less than 90 consecutive days subsequent to the commencement of such initial payment blockage period.

Each subsidiary guarantor and its guarantee are subject to payment blockage provisions substantially similar to those described in the preceding two paragraphs, except that such subsidiary guarantor will be prohibited from making payments under its guarantee by payment defaults under, acceleration of or other defaults permitting acceleration under either designated senior indebtedness of such subsidiary guarantor or our designated senior indebtedness.

Upon any payment or distribution of our assets or assets of any subsidiary guarantor upon a total or partial liquidation or dissolution of us or such subsidiary guarantor or in a bankruptcy, insolvency, receivership or reorganization or similar proceeding relating either to us or such subsidiary guarantor:

- the holders of our senior indebtedness or the senior indebtedness of such subsidiary guarantor, as the case may be, will be entitled to receive payment in full in cash of such senior indebtedness before the holders of the debentures are entitled to receive any payment from us or pursuant to the guarantee of such subsidiary guarantor, as the case may be;
- until our senior indebtedness or the senior indebtedness of such subsidiary guarantor is paid in full in cash, any payment or distribution to which holders of the debentures would be entitled but for the subordination provisions of the indenture will be made to holders of such senior indebtedness as their interests may appear; and
- if a distribution is made to holders of the debentures that, due to the subordination provisions, should not have been made to them, such holders of the debentures are required to hold it in trust for the holders of senior indebtedness and pay it over to them as their interests may appear.

If payment or distribution of the debentures is accelerated because of an event of default, we or the trustee shall promptly notify the holders of designated senior indebtedness or the representative of such holders of the acceleration.

No provision contained in the indenture or the debentures will affect our obligation, which is absolute and unconditional, to pay the debentures when due. The subordination provisions of the indenture will not prevent the occurrence of any default or event of default under the indenture.

By reason of the subordination provisions contained in the indenture, in the event of a bankruptcy, liquidation, insolvency or similar proceeding, our creditors or creditors of a subsidiary guarantor who are holders of our senior indebtedness or senior indebtedness of a subsidiary guarantor, as the case may be, may recover more, ratably, than the holders of the debentures, and our creditors or creditors of a subsidiary guarantor who are not holders of senior indebtedness may recover less, ratably, than holders of senior indebtedness and may recover more, ratably, than the holders of the debentures.

"Credit facility" means our senior credit facility (including all documents entered into by us and any of our subsidiaries in connection therewith), dated as of May 22, 2002, among us, and the agents and lenders named therein, and any other bank credit agreement or similar facility entered into in

the future by us or any subsidiary guarantor, as any of the same, in whole or in part, may be amended, renewed, extended, increased, substituted, refinanced,

restructured or replaced (including, without limitation, any successive renewals, extensions, increases, substitutions, refinancings, restructurings, replacements, supplements or other modifications of the foregoing).

"Designated senior indebtedness" means (1) the indebtedness under the Credit Facility and (2) any other of our senior indebtedness which, at the date of determination, has an aggregate principal amount outstanding of, or under which, at the date of determination, the holders thereof are committed to lend up to, at least $25 million and is specifically designated by us in the instrument evidencing or governing such senior indebtedness as designated senior indebtedness for purposes of the indenture.

"indebtedness" shall have the meaning set forth in the indenture.

"Senior indebtedness" of a person means

(1) indebtedness of such person, whether outstanding on the date of the indenture or thereafter incurred;

(2) accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to such person to the extent post-filing interest is allowed in such proceeding) in respect of (A) indebtedness of such person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such person is responsible or liable unless, in the case of (1) and (2), in the instrument creating or evidencing the same or pursuant to which the same is outstanding, it is provided that such obligations are subordinate in right of payment to the debentures; and

(3) indebtedness under the Credit Facility,

provided, however, that senior indebtedness shall not include

(1) any obligation of such person to any subsidiary,

(2) any liability for Federal, state, local or other taxes owed or owing by such person,

(3) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including guarantees thereof or instruments evidencing such liabilities), or

(4) any indebtedness of such person (and any accrued and unpaid interest in respect thereof) which is subordinate or junior in any respect to any other indebtedness or other obligation of such person.

"Senior subordinated indebtedness" means (i) with respect to us, the debentures, our 13% senior subordinated notes and any other indebtedness of ours that specifically provides that such indebtedness is to have the same rank as the debentures in right of payment and is not subordinated by its terms in right of payment to any indebtedness or other obligation of ours which is not senior indebtedness and (ii) with respect to any subsidiary guarantor, its guarantee of the debentures, its guarantee of our 13% senior subordinated notes and any other indebtedness of such subsidiary guarantor that specifically provides that such indebtedness is to have the same rank as such subsidiary's guarantee of the debentures in right of payment and is not subordinated by its term in right or payment to any indebtedness or other obligation of such subsidiary guarantor which is not senior indebtedness.

"Subsidiary" means, in respect of any person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of capital stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (1) such person, (2) such person and one or more subsidiaries of such person, or (3) one or more subsidiaries of such person.

FORM, DENOMINATION AND REGISTRATION

The debentures are issued:

- in fully registered form;
- without interest coupons; and
- in denominations of $1,000 principal amount and integral multiples of $1,000.

Global Debenture, Book-Entry Form

Debentures are evidenced by one or more global debentures. We have deposited the global debenture with DTC and registered the global debenture in the name of Cede & Co. as DTC's nominee. Except as set forth below, a global debenture may be transferred, in whole or in part, only to another nominee of DTC or to a successor of DTC or its nominee.

Beneficial interests in a global debenture may be held through organizations that are participants in DTC (called "participants"). Transfers between participants will be effected in the ordinary way in accordance with DTC rules and will be settled in clearing house funds. The laws of some states require that certain persons take physical delivery of securities in definitive form. As a result, the ability to transfer beneficial interests in the global debenture to such persons may be limited.

Beneficial interests in a global debenture held by DTC may be held only through participants, or certain banks, brokers, dealers, trust companies and other parties that clear through or maintain a custodial relationship with a participant, either directly or indirectly (called "indirect participants"). So long as Cede & Co., as the nominee of DTC, is the registered owner of a global debenture, Cede & Co. for all purposes will be considered the sole holder of such global debenture. Except as provided below, owners of beneficial interests in a global debenture will:

- not be entitled to have certificates registered in their names;
- not receive physical delivery of certificates in definitive registered form; and
- not be considered holders of the global debenture.

We will pay principal of and interest, including contingent interest, if any, on and the redemption price and the repurchase price of a global debenture to Cede & Co., as the registered owner of the global debenture, by wire transfer of immediately available funds on each interest payment date or the redemption or repurchase date or maturity date, as the case may be. Neither we, the trustee nor any paying agent will be responsible or liable:

- for the records relating to, or payments made on account of, beneficial ownership interests in a global debenture; or
- for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

Neither we, the trustee, registrar, paying agent nor conversion agent have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations. DTC has advised us that it will take any action permitted to be taken by a holder of debentures, including the presentation of debentures for conversion, only at the direction of one or more participants to whose account with DTC interests in the global debenture are credited, and only in respect of the principal amount of the debentures represented by the global debenture as to which the participant or participants has or have given such direction.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York, and a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code; and
- a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants. Participants include securities brokers, dealers, banks, trust companies and clearing corporations and other organizations. Some of the participants or their representatives, together with other entities, own DTC. Indirect access to the DTC system is available to others such as banks, brokers,

dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

DTC has agreed to the foregoing procedures to facilitate transfers of interests in a global debenture among participants. However, DTC is under no obligation to perform or continue to perform these procedures, and may discontinue these procedures at any time.

We will issue debentures in definitive certificate form only if:

- DTC notifies us that it is unwilling or unable to continue as depositary or DTC ceases to be a clearing agency registered under the Securities and Exchange Act of 1934, as amended, and a successor depositary is not appointed by us within 90 days;
- an event of default shall have occurred and the maturity of the debentures shall have been accelerated in accordance with the terms of debentures and any holder shall have requested in writing the issuance of definitive certificated debentures; or
- we have determined in our sole discretion that debentures shall no longer be represented by global debentures.

RULE 144A INFORMATION REQUEST

We will furnish to the holders or beneficial holders of the debentures or the common stock issued on conversion of the debentures and prospective purchasers, upon their request, the information, if any, required under Rule 144A(d)(4) under the Securities Act until such time as such securities are no longer "restricted securities" within the meaning of Rule 144 under the Securities Act, assuming these securities have not been owned by an affiliate of ours.

INFORMATION CONCERNING THE TRUSTEE

We have appointed U.S. Bank, National Association, the trustee under the indenture, as paying agent, conversion agent and debenture registrar for the debentures. The trustee is also a lender under the senior credit facility.

The trustee or its affiliates may also provide other services to us in the ordinary course of their business. The indenture contains certain limitations on the rights of the trustee, if it or any of its affiliates is then our creditor, to obtain payment of claims in certain cases or to realize on certain property received on any claim as security or otherwise. The trustee and its affiliates will be permitted to engage in other transactions with us. However, if the trustee or any affiliate continues to have any conflicting interest and a default occurs with respect to the debentures, the trustee must eliminate such conflict or resign.

The indenture does not require that the trustee expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the indenture or in the exercise of any of its rights or powers

unless the trustee shall have received adequate indemnity in its opinion against potential costs and liabilities relating to its performance.

GOVERNING LAW

The debentures and the indenture shall be governed by, and construed in accordance with, the laws of the State of New York.

REGISTRATION RIGHTS

On November 10, 2003, we and the subsidiary guarantors entered into a registration rights agreement with the initial purchasers of the debentures pursuant to which we agreed to file a shelf registration statement with the SEC covering resales of the registrable securities within 90 days after November 10, 2003, the date on which the debentures were originally issued. We also agreed to use our reasonable best efforts to cause the shelf registration statement to become effective within 180 days after November 10, 2003 and to use our reasonable best efforts to keep the shelf registration statement effective until, in general, the date on which there are no longer any registrable securities outstanding. Accordingly, we anticipate that our obligation to keep the shelf registration statement effective will terminate no later than November 10, 2004, and may terminate earlier. No owner of registrable securities may use this prospectus in connection with any resale or other transfer of those registrable securities at any time after our obligation to keep the shelf registration statement effective has terminated or during any period we have suspended the use of this prospectus as described below.

When we use the term "registrable securities" in this section, we are referring to the debentures, the guarantees and the common stock issuable upon conversion of the debentures until the earlier of (i) the sale pursuant to Rule 144 under the Securities Act or the shelf registration statement of such registrable securities, and (ii) the expiration of the holding period applicable to such securities held by persons that are not affiliates of Actuant under Rule 144(k) under the Securities Act, and as a result of an event or circumstance described in clauses (i) or (ii) above, the transfer restriction legends required under the indenture are removed or removable in accordance with the indenture.

We may suspend the use of this prospectus included in the shelf registration statement under certain circumstances relating to pending corporate developments, public filings with the SEC and similar events. Any suspension period shall not:

- exceed 30 days in any three-month period; or
- an aggregate of 90 days for all periods in any 12-month period.

Notwithstanding the foregoing, we will be permitted to suspend the use of the prospectus for up to 60 days in any three-month period under certain circumstances, relating to possible acquisitions, financings and other similar transactions. Although the registration rights agreement requires that we pay predetermined liquidated damages to holders of registrable securities (or under certain circumstances issue additional shares of common stock in lieu of liquidated damages) if we default in certain of our obligations under that agreement, those obligations with respect to any registrable security cease at the time such security ceases to be a registrable security. Accordingly, because any debenture or share of common stock purchased by an investor in this offering will cease to be a registrable security upon such purchase, the purchasers of debentures and shares of common stock in the offering made hereby will not be entitled to receive any liquidated damages (or additional shares of common stock in lieu of liquidated damages) or otherwise be entitled to any rights under the registration rights agreement. Notwithstanding the foregoing, if we become obligated to pay liquidated damages (or issue common stock in lieu of liquidated damages) with respect to any registrable security which thereafter ceases to be a registrable security, that obligation shall survive until it is satisfied.

The foregoing summary of certain provisions of the registration rights agreement does not purport to be complete and is subject to all of the provisions of the registration rights agreement. Because the foregoing is only a summary, it does not contain all the information that you may find useful. For further information you should read the registration rights agreement. The

registration rights agreement is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part and you may obtain a copy of that agreement as described below under "Where You Can Find More Information" and "Incorporation of Certain Documents by Reference."

DESCRIPTION OF CAPITAL STOCK

Our authorized capital stock as of November 30, 2003, consisted of 32,000,000 shares of Class A Common Stock, $0.20 par value per share, or common stock, of which 23,572,250 shares were issued and outstanding; 1,500,000 shares of Class B common stock, $.20 par value per share, none of which were issued and outstanding; and 160,000 shares of Cumulative Preferred Stock, $1.00 par value per share, or Preferred Stock, none of which have been issued. The following is a summary of selected provisions of our articles of incorporation, our bylaws and of the Wisconsin Business Corporation Law, or WBCL. This summary is not complete and is subject to our articles of incorporation and bylaws, copies of which may be obtained by contacting us at the address or telephone number appearing under "Where You Can Find More Information," and to the WBCL.

PREFERRED STOCK

The Preferred Stock may be issued in one or more series providing for such dividend rates, voting, liquidation, redemption, and conversion rights, and such other terms and conditions as our Board of Directors may determine, subject to the limitations described below, without further approval by holders of our common stock. If any shares of Class B common stock are outstanding, any voting rights conferred on holders of Preferred Stock would be limited, with respect to the election of directors, to the power to vote together with holders of common

stock in electing a "maximum minority" of the Board of Directors, as described under "--Common Stock; Class B Common Stock" below.

If we issue any shares of Preferred Stock, we would be permitted to pay dividends or make other distributions upon the common stock or Class B common stock (except for distributions payable in shares of common stock or Class B common stock) only after paying or setting apart funds for payment of accrued but unpaid dividends upon the outstanding Preferred Stock, at the rate or rates designated for each series of outstanding Preferred Stock. Dividends on the Preferred Stock are cumulative, so that if at any time the full amount of all dividends accrued on the Preferred Stock is not paid, the deficiency must be paid before any dividends or other distributions are paid or set apart on the common stock or the Class B common stock, other than dividends or distributions paid in common stock or Class B common stock, respectively. Each series of Preferred Stock will have such designation, preferences and relative rights as shall be stated in the resolution or resolutions providing for the designation and issue of such series adopted by our Board of Directors. In the event of voluntary or involuntary liquidation, the holders of any outstanding Preferred Stock would be entitled to receive all accrued dividends on the Preferred Stock and the liquidation amount specified for each series of Preferred Stock before any amount may be distributed to holders of the common stock or Class B common stock .

Under the articles of incorporation, all shares of Preferred Stock shall be identical except as to the following relative rights and preferences, as to which the Board of Directors may establish variations between different series not inconsistent with other provisions in the articles of incorporation: (a) the dividend rate; (b) the price at and terms and conditions on which shares may be redeemed; (c) the amount payable upon shares in the event of voluntary or involuntary liquidation; (d) sinking fund provisions for the redemption or purchase of shares; (e) the terms and conditions on which shares may be converted into common stock or Class B common stock, if the shares of any series are issued with the privilege of conversion; and (f) voting rights, if any, subject to the provisions regarding voting rights summarized herein.

The holders of Preferred Stock will have no preemptive rights. Under the articles of incorporation, each series of Preferred Stock will, with respect to dividend rights and rights on liquidation, rank prior in right of payment to the common stock and the Class B common stock and on a parity in right of payment with each other series of Preferred Stock.

COMMON STOCK; CLASS B COMMON STOCK

The rights and preferences of shares of common stock and Class B common stock are identical, except as to voting power with respect to the election of directors and except that the Class B common stock is entitled to conversion rights as described below. No shares of Class B common stock are outstanding. All previously outstanding shares of Class B common stock were converted into shares of common stock over a decade ago.

On all matters other than the election of directors, the holders of common stock and Class B common stock possess equal voting power of one vote per share and vote together as a single class (unless otherwise required by the WBCL). In the election of the Board of Directors, the holders of common stock, voting together as a single class with the holders of any outstanding Preferred Stock which has voting power, are entitled to elect a "maximum minority" of the number of directors to be elected. As a result of this "maximum minority" provision, the holders of the Class B common stock, voting as a separate class, are entitled to elect the balance of the directors, constituting a "minimum majority" of the number of directors to be elected. If an even number of directors is to be elected, the holders of Class B common stock will be entitled to elect two more directors than the holders of common stock and any Preferred Stock having voting power; if the number of directors to be elected is an odd number, the holders of Class B common stock will be entitled to elect one more director than the holders of common stock and any Preferred Stock having voting power. In the event there are no shares of Class B common stock outstanding, holders of common stock, voting together as a single class with holders of any outstanding Preferred Stock having voting power, shall elect all of the directors to be elected. A director, once elected and duly qualified, may be removed only by the requisite affirmative vote of the holders of that class of stock by which such director was elected.

Holders of common stock and Class B common stock are ratably entitled to such dividends as our Board of Directors may declare out of funds legally available therefor, except as described below in the case of stock dividends. If we were to issue any of our authorized Preferred Stock, no dividends could be paid or set apart for payment on shares of common stock or Class B common stock, unless paid in common stock or Class B common stock, respectively, until full cumulative dividends accrued on all of the issued and outstanding shares of Preferred Stock had been paid or set apart for payment. Certain covenants contained in our debt agreements limit, and provisions of our articles of incorporation for the benefit of any Preferred Stock that may be issued from

time to time could have the direct or indirect effect of limiting, the payment of dividends or other distributions on (and purchases of) our common stock and Class B common stock. Stock dividends on common stock may be paid only in shares of common stock and stock dividends on Class B common stock may be paid only in shares of Class B common stock.

In the event that we issue any shares of Class B common stock, any holder of shares of Class B common stock may convert any or all of those shares into common stock on a share-for-share basis. If we issue any Class B common stock and the number of outstanding shares of Class B common stock is reduced to less than 1,000,000 adjusted to reflect any stock splits, stock dividends or similar transactions, all of the outstanding shares of Class B common stock will be automatically converted into common stock on a share-for-share basis. Holders of common stock do not have any conversion rights. In the event of our dissolution or liquidation, the holders of both common stock and Class B common stock are entitled to share ratably in all of our assets remaining after payment of our liabilities and satisfaction of the rights of any series of Preferred Stock which may be outstanding. There are no redemption or sinking fund provisions with respect to the common stock or the Class B common stock.

The common stock is listed on the New York Stock Exchange. LaSalle Bank, N.A., Chicago, Illinois, serves as the transfer agent for the common stock.

GENERAL

The articles of incorporation provide that the affirmative vote of two-thirds of all shares entitled to vote thereon (and/or of each class which shall be entitled to vote thereon as a class) is required in order to constitute shareholder approval or adoption of a merger, consolidation, or liquidation of us, sale, lease or exchange or other disposition of all or substantially all of our assets, amendment of the articles of incorporation or the bylaws, or removal of a director.

Our directors are currently elected to serve one-year terms. The articles of incorporation provide that the bylaws (which may be amended by the Board of Directors or by the shareholders) may provide for the division of the Board of Directors into two or three classes of directors and for the terms and manner of election not inconsistent with the applicable provisions of the WBCL. If that occurs and any shares of Class B common stock are outstanding, each class of directors will contain as nearly as possible an equal number of directors elected by the holders of common stock and any outstanding Preferred Stock, voting as a single class, and will also contain as nearly as possible an equal number of directors elected by holders of Class B common stock, subject to the right of the Class B common stock to elect the minimum majority of the directors as described above.

Shareholders are subject to personal liability under Section 180.0622(2)(b) of the WBCL, as judicially interpreted, for debts owing to our employees for services performed for us, but not exceeding six months' service in any one case. This means that, if we do not pay salaries or other amounts owed to our employees, holders of our common stock, including any shares issued upon conversion of the debentures, may be personally liable for those amounts.

Holders of our capital stock do not have preemptive or other subscription rights to purchase or subscribe for our unissued stock or other securities issued by us.

CERTAIN STATUTORY PROVISIONS

Under Section 180.1150(2) of the WBCL, the voting power of shares of a "resident domestic corporation," such as us (as long as we continue to meet the statutory definition as set forth in Section 180.1130(10m) of the WBCL), which are held by any person (including two or more persons acting in concert), including shares issuable upon conversion of convertible securities or upon exercise of options or warrants, in excess of 20% of the voting power in the election of directors shall be limited (in voting on any matter) to 10% of the full voting power of the shares in excess of 20%, unless full voting rights have been restored at a special meeting of the shareholders called for that purpose. Shares held or acquired under certain circumstances are excluded from the application of Section 180.1150(2), including (among others) shares acquired directly from us, shares acquired before April 22, 1986, and shares acquired in a merger or share exchange to which we are a party.

Sections 180.1130 to 180.1134 of the WBCL provide generally that, in addition to the vote otherwise required by law or the articles of incorporation of a "resident domestic corporation," such as us (as long as we continue to meet the statutory definition as set forth in Section 180.1130(10m) of the WBCL), certain business combinations not meeting certain fair price standards specified in the statute must be approved by the affirmative vote of at least (a) 80% of the votes entitled to be cast by the outstanding voting shares of the corporation, voting together as a single voting group and (b) two-thirds of the

votes entitled to be cast by the holders of voting shares other than voting shares beneficially owned by a "significant shareholder" or an affiliate or associate thereof who is a party to the transaction, voting together as a single voting group. The term "business combination" is defined to include, subject to certain exceptions, a merger or share exchange of the resident domestic corporation (or any subsidiary thereof) with, or the sale, lease or exchange or other disposition of all or substantially all of the property and assets of the resident domestic corporation to, any significant shareholder or affiliate thereof. "Significant shareholder" is defined generally to mean a person that is the beneficial owner, directly or indirectly, of 10% or more of the voting power of the outstanding voting shares of the resident domestic corporation. The statute also restricts the repurchase of shares and the sale of corporate assets by a resident domestic corporation in response to a take-over offer.

Sections 180.1140 to 180.1144 of the WBCL prohibit certain "business combinations" between a "resident domestic corporation," such as us (as long as we continue to meet the statutory definition as set forth in Section 180.1140(9) of the WBCL), and a person beneficially owning 10% or more of the voting power of the outstanding voting stock of such corporation (an "interested stockholder") within three years after the date such person became a 10% beneficial owner, unless the business combination or the purchase of such stock has been approved before the stock acquisition date by the corporation's board of directors. Business combinations after the three-year period following the stock acquisition date are permitted only if:

- the board of directors approved the acquisition of the stock prior to the acquisition date;
- the business combination is approved by a majority of the outstanding voting stock not beneficially owned by the interested shareholder; or
- the consideration to be received by shareholders meets certain fair price requirements of the statute with respect to form and amount.

Under Sections 180.1140(9) and 180.1143 of the WBCL, a "resident domestic corporation" means a Wisconsin corporation that has a class of voting stock that is registered or traded on a national securities exchange or that is

registered under Section 12(g) of the Securities Exchange Act and that, as of the relevant date, satisfies any of the following:

- its principal offices are located in Wisconsin;
- it has significant business operations located in Wisconsin;
- more than 10% of the holders of record of its shares are residents of Wisconsin; or
- more than 10% of its shares are held of record by residents of Wisconsin.

We are currently a "resident domestic corporation" for purposes of the above described provisions. A Wisconsin corporation that is otherwise subject to certain of such statutes may preclude their applicability by an election to that effect in its articles of incorporation. Our articles of incorporation do not contain any such election.

These provisions of the WBCL, the ability to issue additional shares of common stock, Class B common stock and Preferred Stock without further shareholder approval (except as required under New York Stock Exchange corporate governance standards), and certain other provisions of our articles of incorporation (discussed above) could have the effect, among others, of discouraging take-over proposals for us, delaying or preventing a change in control of us, or impeding a business combination between us and a major shareholder.

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

GENERAL

The following is a summary of certain United States federal income tax consequences of the purchase, ownership, conversion, or other disposition of the debentures, and of the common stock received upon conversion of the debentures. This summary is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (including retroactive changes) or possible differing interpretations. The discussion below deals only with debentures held as capital assets and does not purport to deal with persons in special tax situations, such as financial institutions, insurance companies, regulated investment companies, dealers in securities or currencies, tax-exempt entities, persons holding the debentures in a tax-deferred or tax-advantaged

account, persons subject to the alternative minimum tax, or persons holding the debentures as a hedge against currency risks, as a position in a "straddle" or as part of a "hedging" or "conversion" transaction for tax purposes.

We do not address all of the tax consequences that may be relevant to an investor in the debentures. In particular, we do not address:

- the United States federal income tax consequences to shareholders in, or partners or beneficiaries of, an entity that is a holder of the debentures;
- the United States federal estate, gift or alternative minimum tax consequences of the purchase, ownership or disposition of the debentures;
- U.S. holders (as defined below) who hold the debentures whose functional currency is not the United States dollar; or
- any state, local or foreign tax consequences of the purchase, ownership or disposition of the debentures.

Persons considering the purchase of the debentures should consult their own tax advisors concerning the application of the United States federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the debentures, and common stock received upon conversion of the debentures arising under the laws of any other taxing jurisdiction.

A U.S. holder is a beneficial owner of the debentures who or which is:

- a citizen or individual resident of the United States, as defined in Section 7701(b) of the Internal Revenue Code of 1986, as amended (which we refer to as the Code);
- a corporation or partnership, including any entity treated as a corporation or partnership for United States federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia unless, in the case of a partnership, Treasury regulations are enacted that provide otherwise;
- an estate if its income is subject to United States federal income taxation regardless of its source; or
- a trust if (1) a United States court can exercise primary supervision over its administration, and (2) one or more United States persons have the authority to control all of its substantial decisions.

Notwithstanding the preceding sentence, certain trusts in existence on August 20, 1996, and treated as U.S. persons prior to such date, may also be treated as U.S. holders. A Non-U.S. holder is a beneficial owner of the debentures other than a U.S. holder.

No statutory or judicial authority directly addresses the treatment of the debentures or instruments similar to the debentures for United States federal income tax purposes. The Internal Revenue Service (the "IRS") has issued a revenue ruling with respect to instruments similar to the debentures. To the extent it addresses the issue, this ruling supports certain aspects of the treatment described below. No ruling has been or is expected to be sought from the IRS with respect to the United States federal income tax consequences of the issues that are not addressed in the recently released revenue ruling. The IRS would not be precluded from taking contrary positions. As a result, there is a risk that the IRS may not agree with all of the tax characterizations and the tax consequences described below.

WE URGE PROSPECTIVE INVESTORS TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE DEBENTURES AND OUR COMMON STOCK IN LIGHT OF THEIR OWN PARTICULAR CIRCUMSTANCES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN UNITED STATES FEDERAL OR OTHER TAX LAWS.

CLASSIFICATION OF THE DEBENTURES

Pursuant to the terms of the indenture, each holder of debentures agrees to treat the debentures, for United States federal income tax purposes, as debt instruments that are subject to the special regulations governing contingent payment debt instruments (which we refer to as the CPDI regulations) and to be bound by our application of the CPDI regulations to the debentures, including our determination of the rate at which interest will be deemed to

accrue on the debentures and the related "projected payment schedule" determined by us. In addition, under the indenture, each holder is deemed to have agreed to treat the fair market value of our common stock received by such holder upon conversion of the debentures as a contingent payment and to accrue interest with respect to the debentures as tax original issue discount for United States federal income tax purposes according to the "noncontingent bond method" set forth in Section 1.1275-4(b) of the Treasury regulations, using the comparable yield (as defined below) compounded semiannually and the projected payment schedule determined by us. The remainder of this discussion assumes the debentures will be treated in accordance with the aforementioned agreements and our determinations.

Notwithstanding the issuance of the revenue ruling discussed above, the application of the CPDI regulations to instruments such as the debentures is uncertain in several respects, and, as a result, there is a risk that the IRS or a court may not agree with the treatment described herein. Any differing treatment could affect the amount, timing and character of income, gain or loss in respect of an investment in the debentures. In particular, a holder might be required to accrue interest income at a higher or lower rate, might not recognize income, gain or loss upon conversion of the debentures into shares of our common stock, and might recognize capital gain or loss upon a taxable disposition of the debentures. Holders should consult their tax advisors concerning the tax treatment of holding the debentures.

TREATMENT OF U.S. HOLDERS

Accrual of Interest on the Debentures

Pursuant to the CPDI regulations, a U.S. holder is required to accrue interest income on the debentures, which we refer to as tax original issue discount, in the amounts described below, regardless of whether the U.S. holder uses the cash or accrual method of tax accounting. Accordingly, U.S. holders will likely be required to include interest in taxable income in each year in excess of the accruals on the debentures for non-tax purposes (i.e., in excess of the stated semiannual regular cash interest payable on the debentures and any contingent interest payments) actually received in that year.

The CPDI regulations provide that a U.S. holder must accrue an amount of ordinary interest income, as tax original issue discount for United States federal income tax purposes, for each accrual period prior to and including the maturity date of the debentures that equals:

(1) the product of (i) the adjusted issue price (as defined below) of the debentures as of the beginning of the accrual period and (ii) the comparable yield (as defined below) of the debentures, adjusted for the length of the accrual period;

(2) divided by the number of days in the accrual period; and

(3) multiplied by the number of days during the accrual period that the U.S. holder held the debentures.

The debentures' issue price is the first price at which a substantial amount of the debentures is sold to the public, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers. The adjusted issue price of a debenture is its issue price increased by any interest income previously accrued, determined without regard to any adjustments to interest accruals described below, and decreased by the projected amount of any projected payments (as defined below) previously made (including payments of stated semiannual regular cash interest) with respect to the debentures.

Under the CPDI regulations, we are required to establish the "comparable yield" for the debentures. The comparable yield for the debentures is the annual yield we would have paid, as of the initial issue date, on a noncontingent, nonconvertible, fixed-rate debt instrument with terms and conditions otherwise similar to those of the debentures. We intend to take the position that the comparable yield for the debentures is 7.75%, compounded semiannually. The precise manner of calculating the comparable yield, however, is not entirely clear. If the comparable yield were successfully challenged by the IRS, the redetermined yield could be materially greater or less than the comparable yield provided by us. Moreover, the projected payment schedule could differ materially from the projected payment schedule provided by us.

The CPDI regulations require that we provide to U.S. holders, solely for United States federal income tax purposes, a schedule of the projected amounts of payments, which we refer to as projected payments, on the debentures. This schedule must produce the comparable yield. The projected payment schedule includes the stated semiannual regular cash interest payable on the debentures at the rate of 2% per annum, estimates for certain contingent interest payments

and an estimate for a payment at maturity taking into account the conversion feature. In this connection, the fair market value of any common stock (and cash, if any) received by a holder upon conversion will be treated as a contingent payment.

The comparable yield and the schedule of projected payments is set forth in the indenture. U.S. holders may also obtain the projected payment schedule by submitting a written request for such information to: Terry Braatz, Treasurer, Actuant Corporation, 6100 North Baker Road, Milwaukee, Wisconsin 53209.

The comparable yield and the schedule of projected payments are not determined for any purpose other than for the determination of a U.S. holder's interest accruals and adjustments thereof in respect of the debentures for

United States federal income tax purposes and do not constitute a projection or representation regarding the actual amounts payable on the debentures.

Amounts treated as interest under the CPDI regulations are treated as original issue discount for all purposes of the Code.

Adjustments to Interest Accruals on the Debentures

As noted above, the projected payment schedule includes amounts attributable to the stated semiannual regular cash interest payable on the debentures. Accordingly, the receipt of the stated semiannual regular cash interest payments will not be separately taxable to U.S. holders. If, during any taxable year, a U.S. holder receives actual payments with respect to the debentures for that taxable year that in the aggregate exceed the total amount of projected payments for that taxable year, the U.S. holder will incur a "net positive adjustment" under the CPDI regulations equal to the amount of such excess. The U.S. holder will treat a "net positive adjustment" as additional interest income. For this purpose, the payments in a taxable year include the fair market value of property received in that year, including the fair market value of our common stock received upon conversion.

If a U.S. holder receives in a taxable year actual payments with respect to the debentures for that taxable year that in the aggregate were less than the amount of projected payments for that taxable year, the U.S. holder will incur a "net negative adjustment" under the CPDI regulations equal to the amount of such deficit. This adjustment will (a) first reduce the U.S. holder's interest income on the debentures for that taxable year and (b) to the extent of any excess after the application of (a), give rise to an ordinary loss to the extent of the U.S. holder's interest income on the debentures during prior taxable years, reduced to the extent such interest was offset by prior net negative adjustments. A negative adjustment is not subject to the two percent floor limitation imposed on miscellaneous itemized deductions under Section 67 of the Code. Any negative adjustment in excess of the amounts described in (a) and (b) will be carried forward and treated as a negative adjustment in the succeeding taxable year and will offset future interest income accruals in respect of the debentures or will reduce the amount realized on the sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of the debentures.

If a U.S. holder purchases debentures at a discount or premium to the adjusted issue price, the discount will be treated as a positive adjustment and the premium will be treated as a negative adjustment. The U.S. holder must reasonably allocate the adjustment over the remaining term of the debentures by reference to the accruals of tax original issue discount at the comparable yield or to the projected payments. It may be reasonable to allocate the adjustment over the remaining term of the debentures pro rata with the accruals of tax original issue discount at the comparable yield. You should consult your tax advisors regarding these allocations.

Sale, Exchange, Conversion, Repurchase, or Redemption

Generally, the sale or exchange of a debenture, the repurchase of a debenture by us at the holder's option, or the redemption or retirement of a debenture for cash, will result in taxable gain or loss to a U.S. holder. As described above, our calculation of the comparable yield and the schedule of projected payments for the debentures includes the receipt of common stock upon conversion as a contingent payment with respect to the debentures. Accordingly, we intend to treat the receipt of our common stock by a U.S. holder upon the conversion of a debenture as a contingent payment under the CPDI Regulations. Under this treatment, conversion also would result in taxable gain or loss to the U.S. holder. As described above, holders are deemed to have agreed to be bound by our determination of the comparable yield and the schedule of projected payments.

The amount of gain or loss on a taxable sale, exchange, repurchase by us at the holder's option, conversion, redemption or retirement of a debenture would be equal to the difference between (a) the amount of cash plus the fair

market value of any other property received by the U.S. holder, including the fair market value of any of our common stock received, and (b) the U.S. holder's adjusted tax basis in the debenture. A U.S. holder's adjusted tax basis in a debenture will generally be equal to the U.S. holder's original purchase price for the debenture, increased by any interest income previously accrued by the U.S. holder (determined without regard to any adjustments to interest accruals described above, other than adjustments to reflect a discount or premium to the adjusted issue price, if any), and decreased by the amount of any projected payments that have been previously made in respect of the debentures to the U.S. holder (without regard to the actual amount paid). Gain recognized upon a sale, exchange, repurchase by us at the holder's option, conversion, redemption or

retirement of a debenture will generally be treated as ordinary interest income; any loss will be ordinary loss to the extent of interest previously included in income, and thereafter, capital loss (which will be long-term if the debenture is held for more than one year). The deductibility of net capital losses by individuals and corporations is subject to limitations.

A U.S. holder's tax basis in our common stock received upon a conversion of a debenture will equal the then current fair market value of such common stock. The U.S. holder's holding period for the common stock received will commence on the day immediately following the date of conversion.

Constructive Dividends

If at any time we were to make a distribution of property to our stockholders that would be taxable to the stockholders as a dividend for United States federal income tax purposes and, in accordance with the anti-dilution provisions of the debentures, the conversion rate of the debentures were increased, such increase might be deemed to be the payment of a taxable dividend to holders of the debentures.

For example, an increase in the conversion rate in the event of distributions of cash, our evidences of indebtedness or assets may result in deemed dividend treatment to holders of the debentures, but generally an increase in the event of stock dividends or the distribution of rights to subscribe for common stock would not be so treated.

Liquidated Damages

We may be required to make payments of liquidated damages as described above under "Registration Rights" to holders of registrable securities (as defined above). However, as described above under "Registration Rights," any debentures or shares of common stock issued upon conversion of the debentures that are purchased by investors in the offering made by this prospectus will thereupon cease to be registrable securities and accordingly, the purchasers of those debentures and shares of common stock will not be entitled to liquidated damages. We intend to take the position for United States federal income tax purposes that any payments of liquidated damages should be taxable to U.S. holders as additional ordinary income when received or accrued, in accordance with their regular method of tax accounting. Our determination is binding on holders of the debentures, unless they explicitly disclose that they are taking a different position to the IRS on their tax returns for the year during which they acquire the debenture. The IRS could take a contrary position from that described above, which could affect the timing and character of U.S. holders' income from the debentures with respect to the payments of liquidated damages.

If we become obligated to pay liquidated damages, U.S. holders should consult their tax advisers concerning the appropriate tax treatment of the payment of liquidated damages with respect to the debentures.

Dividends on Common Stock

If we make cash distributions on our common stock, the distributions will generally be treated as dividends to a U.S. holder of our common stock to the extent of our current or accumulated earnings and profits as determined under United States federal income tax principles at the end of the tax year of the distribution, then as a tax-free return of capital to the extent of the U.S. holder's tax basis in the common stock, and thereafter as gain from the sale or exchange of that stock. Under recently enacted tax legislation, eligible dividends received in tax years beginning on or before December 31, 2008, will be subject to tax to a non-corporate U.S. holder at the special reduced rate generally applicable to long-term capital gains. A U.S. holder will be eligible for this reduced rate only if the U.S. holder has held our common stock for more than 60 days during the 120-day period beginning 60 days before the ex-dividend date.

Disposition of Common Stock

Upon the sale or other disposition of our common stock received on conversion of a debenture, a U.S. holder will generally recognize capital gain or loss equal to the difference between (i) the amount of cash and the fair

market value of any property received upon the sale or exchange, and (ii) the U.S. holder's tax basis in our common stock. That capital gain or loss will be

long-term if the U.S. holder's holding period in respect of such stock is more than one year. The deductibility of net capital losses by individuals and corporations is subject to limitations.

TREATMENT OF NON-U.S. HOLDERS

The Debentures

All payments on the debentures made to a Non-U.S. holder will be exempt from United States income or withholding tax provided that: (i) such Non-U.S. holder does not own, actually, indirectly or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote, and is not a controlled foreign corporation related, directly or indirectly, to us through stock ownership; (ii) the statement requirement set forth in section 871(h) or section 881(c) of the Code has been fulfilled with respect to the beneficial owner, as discussed below; (iii) such payments and gain are not effectively connected with the conduct by such Non-U.S. holder of a trade or business in the United States; (iv) our common stock continues to be actively traded within the meaning of section 871(h)(4)(C)(v)(I) of the Code (which, for these purposes and subject to certain exceptions, includes trading on the NYSE); and (v) we are not a "United States real property holding corporation." We believe that we are not and do not anticipate becoming a "United States real property holding corporation." However, if a Non-U.S. holder were deemed to have received a constructive dividend (see "--Constructive Dividends" above), the Non-U.S. holder will generally be subject to United States federal withholding tax at a 30% rate, subject to a reduction by an applicable treaty, on the taxable amount of such dividend.

The statement requirement referred to in the preceding paragraph will be fulfilled if the beneficial owner of a debenture certifies on IRS Form W-8BEN, under penalties of perjury, that it is not a United States person and provides its name and address or otherwise satisfies applicable documentation requirements. A holder of a debenture which is not an individual or corporation (or an entity treated as a corporation for United States federal income tax purposes) holding the debentures on its own behalf may have substantially increased reporting requirements. In particular, in the case of debentures held by a foreign partnership (or certain foreign trusts), the partnership (or trust) will be required to provide the certification from each of its partners (or beneficiaries), and the partnership (or trust) will be required to provide certain additional information.

The Common Stock

Dividends paid to a Non-U.S. holder of common stock will generally be subject to withholding tax at a 30% rate subject to reduction (a) by an applicable treaty if the Non-U.S. holder provides an IRS Form W-8BEN certifying that it is entitled to such treaty benefits, or (b) upon receipt of an IRS Form W-8ECI from a Non-U.S. holder claiming that the payments are effectively connected with the conduct of a United States trade or business.

A Non-U.S. holder will generally not be subject to United States federal income tax on gain realized on the sale or exchange of the common stock received upon conversion of the debentures unless (a) the gain is effectively connected with the conduct of a United States trade or business of the Non-U.S. holder, (b) in the case of a Non-U.S. holder who is a non-resident alien individual, the individual is present in the United States for 183 or more days in the taxable year of the disposition and certain other requirements are met, or (c) we will have been a United States real property holding corporation at any time within the shorter of the five-year period preceding such sale or exchange and the Non-U.S. holder's holding period in the common stock.

Income Effectively Connected with a United States Trade or Business

If a Non-U.S. holder of the debentures or our common stock is engaged in a trade or business in the United States, and if interest on the debentures, dividends on our common stock, or gain realized on the sale, exchange, conversion or other disposition of the debentures or our common stock is effectively connected with the conduct of such trade or business, the Non-U.S. holder, although exempt from the withholding tax discussed in the preceding paragraphs, will generally be subject to regular United States federal income tax on such interest, dividends or gain in the same manner as if it were a U.S. holder. Such a Non-U.S. holder would be required to provide to the withholding agent a properly executed IRS Form W-8ECI in order to claim an exemption from withholding tax. In addition, if such a Non-U.S. holder is a foreign corporation, such holder may be subject to a branch profits tax equal to 30% (or

such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

BACKUP WITHHOLDING TAX AND INFORMATION REPORTING

We will comply with applicable information reporting requirements with respect to payments on the debentures and common stock. Payments of principal and interest (including tax original issue discount and a payment in common stock pursuant to a conversion of the debentures) on, and the proceeds of dispositions of, the debentures and payments of dividends on, and the proceeds of dispositions of, the common stock may be subject to information reporting and United States federal backup withholding tax at the applicable statutory rate if the U.S. holder thereof fails to supply an accurate taxpayer identification number or otherwise fails to comply with applicable United States information reporting or certification requirements. A Non-U.S. holder may be subject to United States backup withholding tax on payments on, and the proceeds from a sale or other disposition of, the debentures or common stock unless the Non-U.S. holder complies with certification procedures to establish that it is not a United States person. Any amounts so withheld will be allowed as a credit against a holder's United States federal income tax liability and may entitle a holder to a refund, provided the required information is timely furnished to the IRS.

SELLING SECURITYHOLDERS

The debentures offered hereby were originally issued by us in a November 2003 private placement. Pursuant to a purchase agreement that we and the initial purchasers entered into in connection with that offering, the initial purchasers agreed to offer and sell the debentures only to persons they reasonably believed to be "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act. The selling securityholders, which term includes their transferees, pledgees, donees and successors, may from time to time offer and sell pursuant to this prospectus any or all of the debentures and common stock issued upon conversion of the debentures.

The following table sets forth information regarding the respective principal amounts of debentures and numbers of shares of common stock beneficially owned by the selling securityholders prior to this offering and offered pursuant to this offering and the respective principal amounts and numbers of shares of common stock offered by the selling securityholders pursuant to this prospectus. This information, as well as the information appearing in the footnotes (other than footnotes (1) and (26)) to the following table, has been obtained from the selling securityholders and we have not independently verified this information. Except as indicated in the footnotes to the following table, none of the selling securityholders has had any position, office or other material relationship with us or any of our affiliates within the past three years. Because the selling securityholders may offer all or some portion of the debentures or the common stock issuable upon conversion of the debentures pursuant to this prospectus, no estimate can be given as to the amount of the debentures or common stock that will be held by the selling securityholders upon termination of this offering. In addition, the selling securityholders identified below may have sold, transferred or otherwise disposed of all or a portion of their debentures or common stock since the date on which they provided the information to us for inclusion in the following table.

Unless otherwise indicated, the following table includes all shares of common stock issuable upon conversion of the debentures and assumes a conversion rate of 25.0563 shares of our common stock per $1,000 principal amount of the debentures and a cash payment in lieu of any fractional share. However, this conversion rate will be subject to adjustment as described under "Description of the Debentures--Conversion of the Debentures." In addition, as described above under "Registration Rights," we may, under certain circumstances, become obligated to issue additional shares of common stock upon conversion of debentures in lieu of the payment of liquidated damages. As a result, the number of shares of common stock beneficially owned prior to this offering and the number of shares of common stock offered hereby may increase or decrease in the future. Also, the table below assumes that the debentures are convertible immediately. As described above under "Description of the Debentures--Conversion of the Debentures," the debentures are convertible only in specified circumstances.

In addition, the selling securityholders identified below may have sold, transferred or otherwise disposed of all or a portion of their debentures or common stock since the date on which they provided the information to us for inclusion in the following table.

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NAME OF SELLING SECURITYHOLDER(1)	PRINCIPAL AMOUNT OF THE DEBENTURES BENEFICIALLY OWNED PRIOR TO THIS OFFERING AND OFFERED HEREBY	NUMBER OF SHARES OF COMMON STOCK BENEFICIALLY OWNED PRIOR TO THIS OFFERING	NUMBER OF SHARES OF COMMON STOCK OFFERED HEREBY
<S>	<C>	<C>	<C>
Akela Capital Master Fund, Ltd. (2)	15,000,000	375,844	375,844
Allstate Insurance Company (3)(4)	1,500,000	37,584	37,584
Arkansas PERS (5)	1,710,000	42,846	42,846
Arkansas Teacher Retirement (6)	4,470,000	112,001	112,001
Astraszenecea Holdings Pension (5)	500,000	12,528	12,528
Baptist Health of South Florida (6)	605,000	15,159	15,159
BNP Paribas Equity Strategies, SNC (3)(7)	4,110,000	106,321	102,981
Boilermakers Blacksmith Pension Trust (5)	1,245,000	31,195	31,195
Calamos Market Neutral Fund - Calamos Investment Trust (8)	5,000,000	125,281	125,281
Consulting Group Capital Markets Funds (8)	900,000	22,550	22,550
CNH CA Master Account, L.P. (9)	2,250,000	56,376	56,376
Context Convertible Arbitrage Fund, LP (10) (11)	525,000	13,154	13,154

NAME OF SELLING SECURITYHOLDER(1)	PRINCIPAL AMOUNT OF THE DEBENTURES BENEFICIALLY OWNED PRIOR TO THIS OFFERING AND OFFERED HEREBY	NUMBER OF SHARES OF COMMON STOCK BENEFICIALLY OWNED PRIOR TO THIS OFFERING	NUMBER OF SHARES OF COMMON STOCK OFFERED HEREBY
Context Convertible Arbitrage Offshore, Ltd. (11)	525,000	13,154	13,154
CooperNeff Convertible Strategies (Cayman) Master Fund, L.P. (12)	4,059,000	101,703	101,703
DB Equity Opportunities Master Portfolio Ltd. (13)	2,000,000	50,112	50,112
Deam Convertible Arbitrage (13)	1,000,000	25,056	25,056
Delaware PERS (5)	1,610,000	40,340	40,340
Delta Airlines Master Trust (5)	490,000	12,277	12,277
Duke Endowment (5)	365,000	9,146	9,146
Engineers Joint Pension (6)	405,000	10,147	10,147
Froley Revy Investment Convertible Security Fund (5)	130,000	3,257	3,257

ICI American Holdings Trust (5)(14)	365,000	9,145	9,145
Innovest Finanzdienstle (6)	1,700,000	42,595	42,595
KBC Financial Products USA Inc. (10)(15)	4,600,000	115,258	115,258
Lyxor Zola Fund Ltd.	100,000	2,505	2,505
Lyxor/Convertible Arbitrage Fund Limited (16)	390,000	9,771	9,771
Mellon HBV Master Convertible Arbitrage Fund LP (3)(17)	350,000	8,769	8,769
Mellon HBV Master MultiStrategies Fund LP (3)	400,000	10,022	10,022
Mint Master Fund Ltd.	400,000	10,022	10,022
Morgan Stanley Convertible Securities Trust (3)	800,000	20,045	20,045
National Bank of Canada (11)	200,000	5,011	5,011
National Bank of Canada c/o Putnam Lovell NBF Securities Inc. (10)	250,000	6,264	6,264
Nicholas Applegate Capital Management Convertible Mutual Fund (6)	690,000	17,288	17,288
Nomura Securities International, Inc. (10) (18)	7,000,000	178,294	175,394
Prudential Insurance Co. of America (5)	95,000	2,380	2,380
Pyramid Equity Strategies Fund (13)	520,000	13,029	13,029
S.A.C. Capital Associates, LLC (19)	1,000,000	25,056	25,056
San Diego City Retirement (6)	880,000	22,049	22,049
San Diego County Convertible (6)	1,855,000	46,479	46,479
SG Cowen Securities Corp. (10)	1,175,000	29,441	29,441
SG Cowen Securities - Convertible Arbitrage (10)	2,000,000	50,112	50,112
Singlehedge U.S. Convertible Arbitrage Fund (7)	1,127,000	28,238	28,238
State of Oregon/Equity (5)	5,020,000	125,782	125,782
Sturgeon Limited (20)	57,000	1,428	1,428
Syngenta AG (5)	270,000	6,765	6,765
Van Kampen Harbor Fund (10)(21)	1,200,000	30,067	30,067
Victus Capital LP (3) (22)	3,500,000	87,697	87,697
Wachovia Capital Markets LLC (10) (23)	11,586,000	290,302	290,302

Wake Forest University (6)	450,000	11,275	11,275
Windmill Master Fund, LP (24)	1,000,000	25,056	25,056
Wyoming State Treasurer (6)	915,000	22,926	22,926
Zola Partners, LP (25)	150,000	3,758	3,758
Zozove Hedge Convertible Fund L.P. (26)	3,000,000	75,168	75,168
Zozove Income Fund L.P. (26)	1,000,000	25,056	25,056
Zozove Convertible Arbitrage Fund L.P. (26)	4,650,000	116,511	116,511
Zurich Institutional Benchmarks Master Fund Ltd. (26)	2,000,000	50,112	50,112
RCG Latitude Master Fund, LTD. (27)	5,500,000	137,809	137,809
RCG Multi-Strategy Master Fund, LTD. (27)	2,000,000	50,112	50,112
Guggenheim Portfolio Co. XV, LLC (27)	1,000,000	25,056	25,056
MSD TCB, LP (28)	10,000,000	250,563	250,563
Calamos Markeet Neutral Fund - Calamos Investment Trust (29)	12,000,000	300,675	300,675

NAME OF SELLING SECURITYHOLDER(1)	PRINCIPAL AMOUNT OF THE DEBENTURES BENEFICIALLY OWNED PRIOR TO THIS OFFERING AND OFFERED HEREBY	NUMBER OF SHARES OF COMMON STOCK BENEFICIALLY OWNED PRIOR TO THIS OFFERING	NUMBER OF SHARES OF COMMON STOCK OFFERED HEREBY
Consulting Groups Capital Markets Funds (29)	900,000	22,550	22,550
OCM Convertible Trust (30)	1,850,000	46,354	46,354
Delta Air Lines Master Trust - CV(30)	930,000	23,302	23,302
State Employees' Retirement Fund of the State of Delaware (30)	1,060,000	26,559	26,559
Partner Reinsurance Company Ltd. (30)	795,000	19,919	19,919
Chrysler Corporation Master Retirement Trust(30)	4,160,000	104,234	104,234
Motion Picture Industry Health Plan - Active Member Fund(30)	220,000	5,512	5,512
Motion Picture Industry Health Plan - Retiree Member Fund(30)	155,000	3,883	3,883
Delta Pilots Disability & Survivorship Trust - CV(30)	455,000	11,400	11,400
Microsoft Corporation(30)	935,000	23,427	23,427

Qwest Occupational Health Trust(30)	170,000	4,259	4,259	
Travelers Indemnity Company - Commercial Lines(30)	230,000	5,762	5,762	
Travelers Indemnity Company - Personal Lines(30)	155,000	3,883	3,883	
OCM Global Convertible Securities Fund(30)	135,000	3,382	3,382	
International Truck & Engine Corporation Non-Contributory Retirement Plan Trust(30)	495,000	12,402	12,402	
International Truck & Engine Corporation Retirement Plan for Salaried Employees Trust(30)	530,000	13,279	13,279	
International Truck & Engine Corporation, Retiree Health Benefit Trust(30)	140,000	3,507	3,507	
UnumProvident Corporation(30)	335,000	8,393	8,393	
Any other holders of debentures or shares of common stock (31) issued on conversion of the debentures and future transferors, pledges, donees and successors thereof (31)	(31)	(31)		

(1) Information concerning the selling securityholders may change from time to time. Any such changed information will be set forth in amendments or supplements to the registration statement of which this prospectus, is a part, if and when required. A post-effective amendment will be filed to identify unknown securityholders who are not donees, pledgees or transferees of the selling securityholders listed in the table.

(2) As general partner of this selling securityholder, Anthony B. Bosco has voting and investment power over the shares held by this selling securityholder.

(3) This selling securityholder has advised us that it is an affiliate of a broker or dealer and that it purchased the securities reflected in this table as being owned by it in the ordinary course of business and, at the time of purchase, it had no agreements or understandings, directly or indirectly, with any person to distribute those securities.

(4) The Allstate Corporation is the parent company of Allstate Insurance Company.

(5) Froley Revy Investment Co., Inc., as investment advisor for the selling securityholder, has voting and investment power over the securities listed above that are held by this selling securityholder.

(6) Nicholas Applegate Capital Management, as investment manager for the selling securityholder, has voting and investment power over the securities listed above that are held by this selling securityholder.

(7) CooperNeff Advisors, Inc. has sole voting and investment power over the securities listed above that are held by this selling securityholder. CooperNeff Advisors, Inc. is a wholly-owned subsidiary of CooperNeff Group, Inc., which is a wholly-owned on a consolidated basis, by BNP Paribas S.A.

(8) Nick Calamos has voting and investment power over the securities listed above that are held by this selling securityholder.

(9) CNH Partners, LLC, the investment advisor for the selling securityholder, has voting and investment power over the securities listed above that are held by this selling securityholder. Investment principals for this investment advisor are Robert Krail, Mark Mitchell and Todd Pulvino.

(10) This selling securityholder has advised us that it is a broker or dealer. Accordingly, under interpretations by the staff of the SEC, this selling securityholder may be deemed an "underwriter" within the meaning of the Securities Act of 1933.

(11) Context Capital Management, LLC is general partner of this selling securityholder. Michael Rosen and William

Fendy have voting and investment power over the securities listed above that are held by this selling securityholder.

(12) CooperNeff (Cayman) Ltd. is the general partner of this selling stockholder. CooperNeff (Cayman) Ltd. is owned by CooperNeff Advisors, Inc., a subsidiary of CooperNeff Group, Inc., which is wholly-owned on a consolidated basis by BNP Paribas, S.A.

(13) Deutsche Bank Trust Company Americas is the general partner of this selling securityholder. Eric Lobben has sole voting and investment power over the securities listed above that are held by this selling securityholder.

(14) Ann Houlihan has voting and investment power over the securities listed above that are held by this selling securityholder.

(15) Mr. Luke Edwards, as managing director of the selling securityholder, has voting and investment power over the securities listed above that are held by this selling securityholder on behalf of the selling securityholder.

(16) SG Hambras Fund Managers (Jersey) Limited has sole voting and investment power over the securities listed above that are held by this selling securityholder.

(17) Mellon HBV IL, LLC is the general partner of this selling securityholder.

(18) Mr. Robert Citrino, as the managing director of the selling securityholder, has voting and investment power over the securities listed above that are held by the selling securityholder.

(19) Pursuant to investment agreements, each of S.A.C. Capital Advisors, LLC, a Delaware limited liability company ("SAC Capital Advisors"), and S.A.C. Capital Management, LLC, a Delaware limited liability company ("SAC Capital Management"), share all investment and voting power with respect to the securities held by the selling securityholder. Mr. Stephen E. Cohen controls both SAC Capital Advisors and SAC Capital Management. Each of SAC Capital Advisors, SAC Capital Management and Mr. Cohen disclaim beneficial ownership of any of the securities listed above as beneficially owned or offered by this selling securityholder.

(20) CooperNeff Advisors Inc., as the selling securityholder's investment advisor, has voting and investment power over the securities held by this selling securityholder.

(21) Van Kampen Asset Management, Inc., as the selling securityholder's investment advisor, has discretionary authority over the securities held by this selling securityholder.

(22) Victus Capital, LLC is the general partner of this selling securityholder.

(23) Wachovia Capital Markets, LLC was an initial purchaser in our November 2003 private placement of the debentures. Wachovia Bank, National Association, an affiliate of Wachovia Capital Markets, LLC, is a lender under our senior credit facility.

(24) Duquesne Capital Management, LLC, as investment manager of Windmill Master Fund, LP, has discretionary authority over the securities held by this selling securityholder.

(25) Zola Capital Management, LLC is the general partner of this selling securityholder. Mark P. Zola and Daniel A. David have voting and investment power over the securities listed above that are held by this selling securityholder.

(26) Gene Pretti, through his control of Zazove Associates LLC, which is the selling securityholder of this selling securityholder, has voting and investment power over the securities listed above that are held by this selling securityholder.

(27) Alex Adair has voting and investment power over the securities listed above that are held by this selling securityholder.

(28) Michael Dell and Susan Dell, through their control of MSD Capital, L.P., have voting and investment power over the securities listed above that are held by this selling securityholder.

(29) Nick Calamos has voting and investment power over the securities listed above that are held by this selling securityholder.

(30) Oaktree Capital Management, LLC, as investment advisor for the selling securityholder, has voting and investment power over the securities listed above that are held by this selling securityholder.

(31) Any of these other holders of debentures or shares of common stock issued upon conversion of the debentures may be identified at a later date by means of one or more supplements or, if required, a post-effective amendment to the registration statement of which this prospectus is a part. A post-effective amendment will be filed to identify unknown securityholders who are not donees, pledgees or transferees of the selling securityholders listed in the table.

</TABLE>

PLAN OF DISTRIBUTION

The selling securityholders (including their transferees, pledgees, donees and successors) may sell the debentures and the common stock issuable upon conversion of the debentures from time to time directly to purchasers or through broker-dealers or agents who may receive compensation in the form of discounts, concessions or commissions from the selling securityholders or the purchasers. If the debentures or the shares of common stock issuable upon conversion of the debentures are sold through broker-dealers or agents, the selling securityholders will be responsible for any discounts, concessions or commissions payable to those broker-dealers or agents.

The debentures and the common stock issuable upon conversion of the debentures may be sold in one or more transactions at:

- fixed prices,
- prevailing market prices at the time of sale,
- varying prices determined at the time of sale, or
- negotiated prices.

These sales may be effected in transactions, which may involve crosses or block transactions:

- on any national securities exchange or quotation service on which the debentures or the common stock may be listed or quoted at the time of sale;
- in the over-the-counter market;
- otherwise than on such exchanges or services or in the over-the-counter market; or
- through the writing of options.

Crosses are transactions in which the same broker acts as an agent on both sides of the trade.

In connection with the sale of the debentures and the common stock issuable upon conversion of the debentures or otherwise, the selling securityholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the debentures or common stock in the course of hedging their positions. The selling securityholders also may deliver the debentures and shares of common stock issuable upon conversion of the debentures to close out short positions, or loan or pledge the debentures or the common stock issuable upon conversion of such debentures to broker-dealers or other financial institutions that in turn may sell those securities. The selling securityholders also may transfer, donate and pledge debentures and shares of common stock issuable upon conversion of the debentures, in which case the transferees, donees, pledgees or other successors in interest will be deemed selling securityholders for purposes of this prospectus.

The aggregate proceeds to the selling securityholders from the sale of debentures or the common stock issuable upon the conversion of the debentures offered by them will be the purchase price of such debentures or common stock less discounts and commissions, if any, payable by them. Each of the selling securityholders reserves the right to accept and, together with their broker-dealers or agents from time to time, to reject, in whole or in part, any proposed purchase of the debentures or the common stock issuable upon conversion of the debentures to be made directly or through broker-dealers or agents. We will not receive any of the proceeds from the offering of debentures and the common stock issuable upon conversion of the debentures.

There is no public market for the debentures and we do not intend to apply for listing of the debentures on any securities exchange or for quotation of the debentures through any automated quotation system. The debentures are currently designated for trading on the PORTAL Market. However, once debentures

are sold by means of this prospectus, those debentures will no longer trade on the PORTAL Market. Our common stock is listed on the New York Stock Exchange under the symbol "ATU".

In order to comply with the securities laws of some states, if applicable, the debentures and the common stock issuable upon conversion of the debentures may be sold in those jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the debentures and the common stock issuable upon conversion of the debentures may not be sold unless they have been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The selling securityholders may not sell any, or may sell less than all, of the debentures and shares of common stock issuable upon conversion of the debentures offered by them pursuant to this prospectus. In addition, any selling securityholder may, to the extent permitted by applicable law, sell, transfer, devise or gift the debentures or shares of common stock issuable upon conversion of the debentures by means not described in this prospectus. In that regard, any debentures or shares of common stock issuable upon conversion of the debentures that qualify for sale pursuant to Rule 144A or Rule 144 under the Securities Act may be sold under that rule, if applicable, rather than pursuant to this prospectus.

The selling securityholders and any broker-dealers or agents that participate in the distribution of the debentures and the common stock issuable upon conversion of the debenture may be "underwriters" within the meaning of Section 2(11) of the Securities Act. As a result, any profits on the sale of the debentures or the shares of common stock issued on conversion of the debentures received by selling securityholders and any discounts, commissions or concessions received by any such broker-dealers or agents might be deemed to be underwriting discounts and commissions under the Securities Act. If the selling securityholders were deemed to be underwriters, the selling securityholders

could be subject to certain statutory liabilities under the federal securities laws, including under Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Securities Exchange Act of 1934.

The selling securityholders and any other persons participating in the distribution of the debentures and the shares of common stock issuable upon conversion of the debentures will be subject to the Securities Exchange Act. The Securities Exchange Act rules include, without limitation, Regulation M, which may limit the timing of or prohibit the purchase and sale of debentures and shares of common stock by the selling securityholders and any such other person. In addition, under Regulation M, any selling securityholder or other person engaged in the "distribution", within the meaning of Regulation M, of the debentures or the shares of common stock issuable upon conversion of the debentures may not engage in market-making activities with respect to the debentures or the common stock for certain periods prior to the commencement of that distribution, unless, in the case of persons other than selling securityholders, an applicable exemption is available under Regulation M. The foregoing may affect the marketability of the debentures and the common stock issuable upon conversion of the debentures and the ability of any person or entity to engage in market-making activities with respect to those securities.

In that regard, the selling securityholders are required to acknowledge that they understand their obligations to comply with the provisions of the Securities Exchange Act and the rules thereunder relating to stock manipulation, particularly Regulation M thereunder (or any successor rules or regulations), in connection with the offering made by this prospectus. Each selling securityholder is required to agree that neither it nor any person acting on its behalf will engage in any transaction in violation of such provisions.

To the extent required, the specific debentures or common stock to be sold, the names of the selling securityholders, the respective purchase prices and public offering prices, the names of any agent or broker-dealer, and any applicable commissions or discounts with respect to a particular sale or other disposition of debentures or shares of common stock issued on conversion of the debentures pursuant to this prospectus will be set forth in a supplement to this prospectus or, if appropriate, a post-effective amendment to the shelf registration statement of which this prospectus is a part.

Pursuant to the registration rights agreement described above under "Registration Rights," Actuant Corporation and the Guarantors, on the one hand, and the selling securityholders, on the other hand, have agreed, subject to exceptions, to indemnify each other against specified liabilities, including liabilities under the Securities Act, and may be entitled to contribution from each other in respect of those liabilities.

We will pay substantially all of the expenses incident to the offering and sale of the debentures and the common stock issuable upon conversion of the debentures pursuant to this prospectus, other than commissions, fees and discounts payable to brokers-dealers or agents, fees and disbursements of any

counsel or other advisors or experts retained by the selling securityholders and any documentary, stamp or similar issue or transfer tax.

Under the registration rights agreement, we may be required from time to time to require holders of debentures and shares of common stock issued on conversion of the debentures to discontinue the sale or other disposition of those debentures and shares of common stock under specified circumstances. See "Registration Rights" above.

WHERE YOU CAN FIND MORE INFORMATION

You may read and copy materials that we have filed with the SEC at the SEC's public reference room located at 450 Fifth Street, N.W. Room 1024, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available on the Internet at the SEC's website at www.sec.gov.

You may also request a copy of each document incorporated by reference in this prospectus at no cost, by writing or calling us at the following address or telephone number:

Actuant Corporation
6100 North Baker Road
Milwaukee, Wisconsin 53209
Attention: Chief Financial Officer
(414) 352-4160

Exhibits to a document will not be provided unless they are specifically incorporated by reference in that document.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Some of the information that you may want to consider in deciding whether to invest in the debentures or the shares of common stock issued upon conversion of the debentures is not included in this prospectus, but rather is incorporated by reference to documents that we have filed with the SEC. This permits us to disclose important information to you by referring to those filings rather than repeating them in full in this prospectus. The information incorporated by reference in this prospectus contains important business and financial information. In addition, information that we file with the SEC after the date of this prospectus and prior to the completion of this offering will update and may supersede the information contained in this prospectus and incorporated filings. We specifically incorporate by reference the following documents filed by us with the SEC:

OUR SEC FILINGS	PERIOD COVERED OR DATE OF FILING
Annual Report on Form 10-K, as amended by our Annual Report on Form 10-K/A	Year Ended August 31, 2003
Quarterly Report on Form 10-Q	Quarter ended November 30, 2003
All subsequent documents filed by us under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934	After the date of this prospectus and prior to the completion of this offering

Any statement contained in this prospectus or any document incorporated by reference in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein, or in any other subsequently filed document which is also incorporated by reference into this prospectus, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus. Statements contained in this prospectus as to the contents of any contract or other document referred to in this prospectus do not purport to be complete, and where reference is made to the particular provisions of such contract or other document, such statements are qualified in all respects by all of the provisions of such contract or other document. Information which is furnished but not filed with the SEC shall not be incorporated by reference in this prospectus.

LEGAL MATTERS

The validity of the debentures and the guarantees have been passed upon for us by McDermott, Will & Emery, Chicago, Illinois. The validity of the common stock and the guarantee of GB Tools and Supplies, Inc. have been passed upon by Quarles & Brady LLP, Milwaukee, Wisconsin.

EXPERTS

The financial statements incorporated in this prospectus by reference to the Annual Report on Form 10-K/A for the year ended August 31, 2003 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

$150,000,000

ACTUANT CORPORATION

2% CONVERTIBLE SENIOR SUBORDINATED DEBENTURES DUE 2023 AND THE COMMON STOCK ISSUABLE UPON CONVERSION OF THE DEBENTURES

PROSPECTUS
_____, 2004

PART II

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the fees and expenses, other than discounts, commission and concessions payable to broker-dealers and agents, in connection with the offering and distribution of the securities being offered hereunder. Except for the SEC registration fee, all amounts are estimates. All of these fees and expenses will be borne by the Registrant.

SEC Registration Fee	$ 12,135
Printing and Engraving	25,000
Trustees' Fees and Expenses	10,000
Legal Fees and Expenses	100,000
Accounting Fees and Expenses	50,000
Miscellaneous	52,865
Total	$ 250,000

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Actuant Corporation is incorporated under the Wisconsin Business Corporation Law ("WBCL"). Under Section 180.0851(1) of the WBCL, Actuant Corporation is required to indemnify a director or officer, to the extent such person is successful on the merits or otherwise in the defense of a proceeding, for all reasonable expenses incurred in the proceeding if such person was a party because he or she was a director or officer of Actuant Corporation. In all other cases, Actuant Corporation is required by Section 180.0851(2) of the WBCL to indemnify a director or officer against liability incurred in a proceeding to which such person was a party because he or she was an officer or director of Actuant Corporation, unless it is determined that he or she breached or failed to perform a duty owed to Actuant Corporation and the breach or failure to perform constitutes: (i) a willful failure to deal fairly with Actuant Corporation or its shareholders in connection with a matter in which the director or officer has a material conflict of interest; (ii) a violation of criminal law, unless the director or officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful; (iii) a transaction from which the director or officer derived an improper personal profit; or (iv) willful misconduct. Section 180.0858(1) of the

WBCL provides that, subject to certain limitations, the mandatory indemnification provisions do not preclude any additional right to indemnification or allowance of expenses that a director or officer may have under Actuant Corporation's articles of incorporation, bylaws, a written agreement or a resolution of the Board of Directors or shareholders.

Section 180.0859 of the WBCL provides that it is the public policy of the State of Wisconsin to require or permit indemnification, allowance of expenses and insurance to the extent required or permitted under Sections 180.0850 to 180.0858 of the WBCL for any liability incurred in connection with a proceeding involving a federal or state statute, rule or regulation regulating the offer, sale or purchase of securities.

Section 180.0828 of the WBCL provides that, with certain exceptions, a director is not liable to a corporation, its shareholders, or any person asserting rights on behalf of the corporation or its shareholders, for damages, settlements, fees, fines, penalties or other monetary liabilities arising from a breach of, or failure to perform, any duty resulting solely from his or her status as a director, unless the person asserting liability proves that the breach or failure to perform constitutes any of the four exceptions to mandatory indemnification under Section 180.0851(2) referred to above.

Under Section 180.0833 of the WBCL, directors of Actuant Corporation against whom claims are asserted with respect to the declaration of an improper dividend or other distribution to shareholders to which they assented are entitled to contribution from other directors who assented to such distribution and from shareholders who knowingly accepted the improper distribution, as provided therein.

Article VIII of Actuant Corporation's Bylaws contains provisions that generally parallel the indemnification provisions of the WBCL and cover certain procedural matters not dealt with in the WBCL. Directors and officers of Actuant Corporation are also covered by directors' and officers' liability insurance under which they are insured (subject to certain exceptions and limitations specified in the policy) against expenses and liabilities arising out of proceedings to which they are parties by reason of being or having been directors or officers.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

EXHIBITS

4.1	Indenture, dated as of November 10, 2003, by and between the Registrants and U.S. Bank National Association including the form of 2% Convertible Senior Subordinated Debenture due 2023
4.2	Articles of Incorporation of Actuant Corporation (incorporated herein by reference to Exhibit 4.9 to Actuant Corporation's Quarterly Report on Form 10-Q for the quarter ended February 28, 2001)
4.3	Amended and Restated Bylaws of Actuant Corporation (incorporated herein by reference to Exhibit 3.4 to Actuant Corporation's Quarterly Report on Form 10-Q for the quarter ended May 31, 2001)
4.4	Registration Rights Agreement dated as of November 10, 2003 among Actuant Corporation, Wachovia Capital Markets, LLC and Goldman Sachs & Co.
5.1	Opinion of McDermott, Will & Emery
5.2	Opinion of Quarles & Brady LLP
*8	Opinion of McDermott, Will & Emery as to certain tax matters
12.1	Statements Regarding Computation of Ratios
23.1	Consent of PricewaterhouseCoopers LLP
23.2	Consent of McDermott, Will & Emery (included in the opinions filed as Exhibits 5.1 and 8)
23.3	Consent of Quarles & Brady LLP (included in the opinion filed as Exhibit 5.2)
24	Powers of Attorney (previously filed)
25	Statement of Eligibility of the Trustee on Form T-1

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* To be filed by amendment

ITEM 17. UNDERTAKINGS

The undersigned hereby undertake:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

   i. To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

ii. To reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

iii. To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by Actuant Corporation pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

2. That, for the purpose of determining liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned registrants hereby undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of Actuant Corporation's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act of 1934 that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the foregoing provisions (except for the insurance referred to in the last paragraph of Item 15), or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding and other than a claim under such insurance) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of their counsel the matter has been settled by controlling precedent, submit to court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Milwaukee, State of Wisconsin on February 27, 2004.

ACTUANT CORPORATION

By: /s/ Andrew G. Lampereur

Name: Andrew G. Lampereur
Title: Chief Financial Officer/
Vice President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on February 27, 2004.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	I-10
---	---	---
<S>	<C>	
* Robert C. Arzbaecher	Chairman of the Board, President and Chief Executive Officer, Director	
* H. Richard Crowther	Director	
* Gustav H.P. Boel	Director and Vice President-Kopp	
* Bruce S. Chelberg	Director	
* William P. Sovey	Director	
* Kathleen J. Hempel	Director	
* William K. Hall	Director	
* Thomas J. Fischer	Director	

* Robert A. Peterson	Director	
/s/ Andrew G. Lampereur Andrew G. Lampereur	Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	
*Pursuant to Power of Attorney /s/ Andrew G. Lampereur Andrew G. Lampereur		

</TABLE>

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Milwaukee, State of Wisconsin on February 27, 2004.

APPLIED POWER INVESTMENTS II, INC.

By: /s/ Patrick C. Dorn

Patrick C. Dorn, President,
Secretary & Treasurer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Robert C. Arzbaecher and Andrew G. Lampereur, and each of them (each with full power to act alone), his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement and any related registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933 (in each case including, without limitation, any post-effective amendments), and to file the same, with all exhibits thereto, and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and to perform each and every act and thing requisite and necessary to be done in and about the premises, as full and to all intents and purposes as he or she might or would do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on February 27, 2004.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	I-10
---	---	---
<S>	<C>	
* - Patrick C. Dorn	President, Secretary & Treasurer, Director	
* - Michael R. Wimmer	Director	
* - Helen R. Friedli	Director	

*Pursuant to Power of Attorney
/s/ Andrew G. Lampereur
- Andrew G. Lampereur

</TABLE>

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Milwaukee, State of Wisconsin on February 27, 2004.

ENGINEERED SOLUTIONS L.P.

By: /s/ Andrew G. Lampereur

Name: Andrew G. Lampereur
Title: Vice President, Director

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on February 27, 2004.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	I-10
---	---	---
*	Chairman of the Board, President and Chief Executive Officer, Director	
Robert C. Arzbaecher		
/s/ Andrew G. Lampereur	Vice President, Director	
Andrew G. Lampereur		
*	Director	
Helen R. Friedli		

*Pursuant to Power of Attorney
/s/ Andrew G. Lampereur
Andrew G. Lampereur

</TABLE>

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Milwaukee, State of Wisconsin on February 27, 2004.

GB TOOLS AND SUPPLIES, INC.

By: /s/ Andrew G. Lampereur
Name: Andrew G. Lampereur
Title: Vice President, Secretary and Director

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on February 27, 2004.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	I-10
---	---	---
*	President and Director	
Robert C. Arzbaecher		
/s/ Andrew G. Lampereur	Vice President, Secretary and Director	
Andrew G. Lampereur		
*	Director	
Helen R. Friedli		

*Pursuant to Power of Attorney
/s/ Andrew G. Lampereur
Andrew G. Lampereur

</TABLE>

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Milwaukee, State of Wisconsin on February 27, 2004.

VERSA TECHNOLOGIES, INC.

By: /s/ Andrew G. Lampereur

Name: Andrew G. Lampereur
Title: Vice President, Secretary and Director

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Robert C. Arzbaecher and Andrew G. Lampereur, and each of them (each with full power to act alone), his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement and any related registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933 (in each case including, without limitation, any post-effective amendments), and to file the same, with all exhibits thereto, and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and to perform each and every act and thing requisite and necessary to be done in and about the premises, as full and to all intents and purposes as he or she might or would do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on February 27, 2004.

<TABLE>
<CAPTION>

SIGNATURE	TITLE
*	
Robert C. Arzbaecher	Chairman of the Board, President and Chief Executive Officer, Director
/s/ Andrew G. Lampereur	
Andrew G. Lampereur	Vice President, Secretary and Director
*	
Helen R. Friedli	Director

*Pursuant to Power of Attorney
/s/ Andrew G. Lampereur

Andrew G. Lampereur

</TABLE>

ACTUANT CORPORATION,

THE GUARANTORS PARTIES HERETO

and

U.S. BANK NATIONAL ASSOCIATION

TRUSTEE

2% Convertible Senior Subordinated Debentures
due 2023

INDENTURE

Dated as of November 10, 2003

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THIS INDENTURE dated as of November 10, 2003 is among Actuant Corporation, a corporation duly organized under the laws of the State of Wisconsin (the "Company"), the Guarantors (as defined below) and U.S. Bank National Association, a national banking organization, not individually, but solely in its capacity as trustee (in such capacity, together with any successor, the "Trustee").

The Company has duly authorized the creation of an issue of 2% Convertible Senior Subordinated Debentures due 2023 (the "Securities") having the terms, tenor, amount and other provisions hereinafter set forth, and, to provide therefor, the Company has duly authorized the execution and delivery of this Indenture. Each of the Guarantors has authorized its Subsidiary Guarantee (as defined below) of the Securities, such Subsidiary Guarantees having the terms, tenor and other provisions hereinafter set forth, and, to provide therefor, each of the Guarantors has duly authorized the execution and delivery of this Indenture.

All things necessary to make the Securities and the Subsidiary Guarantees, when the same are duly executed by the Company and the Guarantors, respectively, and authenticated and delivered hereunder and duly issued by the Company and the Guarantors, respectively, the valid obligations of the Company and the Guarantors, as applicable, and to make this Indenture a valid and binding agreement of the Company and the Guarantors, in accordance with their and its terms, have been done.

Each party agrees as follows for the benefit of the other parties and for the equal and ratable benefit of any Holder (as defined below) of the Securities.

ARTICLE 1

DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.1. Definitions.

"13% Notes" means the 13% Senior Subordinated Notes due 2009 issued by the Company pursuant to an indenture dated August 1, 2000, as amended or supplemented from time to time, among the Company, certain subsidiary guarantors party thereto and the Bank One Trust Company, N.A., as trustee.

"Affiliate" means, with respect to any specified person, any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For the purposes of this definition, "control" when used with respect to any person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agent" means any Registrar, Paying Agent or Conversion Agent.

"Applicable Procedures" means, with respect to any transfer or exchange of beneficial ownership interests in a Global Security, the rules and procedures of the Depositary, in each case to the extent applicable to such transfer or exchange.

"Attributable Debt" in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value (discounted at the interest rate borne by the Securities, compounded annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended).

"Board of Directors" means either the board of directors of the Company or any committee of the Board of Directors authorized to act for it with respect to this Indenture.

"Business Day" means each day that is not a Legal Holiday.

"Capital Lease Obligations" means an obligation that is required to be classified and accounted for as a capital lease for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, but excluding any debt securities convertible into such equity.

"Cash" or "cash" means such coin or currency of the United States as at any payment is legal tender for the payment of public and private debts.

"Certificated Security" means any of the Securities that are in the form attached hereto as Exhibit B.

"Common Stock" means the Class A common stock of the Company, $0.20 par value, as it exists on the date of this Indenture.

"Company" means the party named as such in the first paragraph of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor.

"Corporate Trust Office" means the principal office of the Trustee at which at any particular time its corporate trust business shall be administered which office at the date of the execution of this Indenture is located at 60 Livingston Avenue, St. Paul, Minnesota 55107, Attention: Corporate Trust Administration, or at any other time at such other address as the Trustee may designate from time to time by notice to the Company.

"Contingent Interest" means such cash interest payable as described in Article 4. All references herein or in the Securities to interest accrued or payable as of any date shall include Contingent Interest accrued or payable as of such date to the extent that, in such context, Contingent Interest is, was or would be payable in respect of the Securities pursuant to the terms of the Securities, and express mention of the payment of Contingent Interest (if applicable) in any provision hereof shall not be construed as excluding Contingent Interest in those provisions hereof where no express mention is not made. Anything in this Indenture or the Securities to the contrary

notwithstanding, Contingent Interest, if any, shall only be payable under the circumstances specified in the Securities.

"Credit Facility" means the Company's senior credit facility (including all documents entered into by the Company and any of its subsidiaries in connection therewith), dated as of May 22, 2002, among the Company, and the agents and lenders named therein, and any other bank credit agreement or similar facility entered into in the future by the Company or any Guarantor, as any of the same, in whole or in part, may be amended, renewed, extended, increased, substituted, refinanced, restructured or replaced (including, any successive renewals, extensions, increases, substitutions, refinancings, restructurings, replacements, supplements or other modifications of the foregoing).

"Closing Sale Price" means the closing per share sale price (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a United States national or regional securities exchange, as reported by the Nasdaq National Market, or if the Common Stock is not quoted on the Nasdaq National Market, by the National Quotation Bureau Incorporated. In the absence of such a quotation,

the Company will determine the Closing Sale Price on the basis it considers appropriate.

"Conversion Price" as of any day will equal $1,000 divided by the Conversion Rate.

"Currency Agreement" means in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement designed to protect such Person against fluctuations in currency values.

"Current Market Price" shall mean, as of any date of determination, the average of the daily Closing Sale Prices per share of Common Stock for the ten consecutive Trading Days selected by the Company commencing on and including the fifth Trading Day after the "ex" date with respect to the issuance, distribution, subdivision or combination requiring such computation. For purpose of this paragraph, the term "ex" date, (a) when used with respect to any issuance or distribution, means the first date on which the Common Stock trades, regular way, on the relevant exchange or in the relevant market from which the Closing Sale Price was obtained without the right to receive such issuance or distribution, and (b) when used with respect to any subdivision or combination of shares of Common Stock, means the first date on which the Common Stock trades, regular way, on such exchange or in such market after the time at which such subdivision or combination becomes effective. If another issuance, distribution, subdivision or combination to which Section 5.6(e) applies occurs during the period of ten consecutive trading days referred to above applicable for calculating "Current Market Price" pursuant to this definition, the "Current Market Price" shall be calculated for such period in a manner determined by the Board of Directors to reflect the impact of such issuance, distribution, subdivision or combination on the Closing Sale Price of the Common Stock during such period

"Default" or "default" means, when used with respect to the Securities, any event which is or, after notice or passage of time or both, would be an Event of Default.

"Designated Senior Indebtedness" means

(a) the Indebtedness under the Credit Facility; and

(b) any other Senior Indebtedness of the Company which, at the date of determination, has an aggregate principal amount outstanding of, or under which, at the date of determination, the holders thereof are committed to lend up to, at least $25 million and is specifically designated by the Company in the instrument evidencing or governing such Senior Indebtedness as "Designated Senior Indebtedness" for purposes of this Indenture.

"Disqualified Stock" means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event

(a) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise,

(b) is convertible or exchangeable for Indebtedness or Disqualified Stock or

(c) is redeemable or must be purchased, upon the occurrence of certain events or otherwise, by such Person at the option of the holder thereof, in whole or in part,

in each case on or prior to the first anniversary of the Stated Maturity of the Securities; provided, however, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to purchase or redeem such Capital Stock, upon the occurrence of a Designated Event occurring prior to the first anniversary of the Stated Maturity of the Securities shall not constitute Disqualified Stock if:

(i) the Designated Event provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the terms applicable to the Securities and described in Section 3.8; and

(ii) any such requirement only becomes operative after compliance with such terms applicable to the Securities, including the purchase of any Securities tendered pursuant thereto.

"Exchange Act" means the Securities and Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as in effect from time to time.

"Ex-Dividend Date" means, with respect to any issuance or distribution on shares of Common Stock, the first date on which a sale of the

shares of Common Stock does not automatically transfer the right to receive the relevant distribution from the seller of the Common Stock to the buyer.

"Final Maturity Date" means November 15, 2023.

"GAAP" means generally accepted accounting principles in the United States of America as in effect as of the date of this Indenture, including those set forth in (a) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, (b) the statements and pronouncements of the Financial Accounting Standards Board, (c) such other statements by such other entity as approved by a significant segment of the accounting profession and (d) the rules and regulations of the SEC governing the inclusion of financial statements (including pro forma financial statements) in registration statements filed under the Securities Act and periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the SEC.

"guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any Person and any obligation, direct or indirect, contingent or otherwise, of such Person

(a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such Person (whether arising by virtue of agreements to keep-well, to take-or-pay or to maintain financial statement conditions or otherwise), or

(b) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning. The term "guarantor" shall mean any Person guaranteeing any obligation.

"Guarantors" means (a) each of the Company's Subsidiaries providing guarantees under the 13% Notes on the Issue Date and (b) any of the Company's Subsidiaries that provides a guarantee of the Company's Indebtedness pursuant to Section 7.10 or otherwise in the future executes a supplemental indenture in which such Subsidiary unconditionally guarantees on a senior subordinated basis the Company's obligations under the Securities and this Indenture; provided, that, any Person constituting a Guarantor as described above shall cease to constitute a Guarantor when its respective Subsidiary Guarantee is released in accordance with the terms of this Indenture.

"Global Security" means a permanent Global Security that is in the form attached hereto as Exhibit A and which is deposited with the Depositary or its custodian and registered in the name of the Depositary or its nominee.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement or Currency Agreement.

"Holder" or "Securityholder" means the person in whose name a Security is registered on the Registrar's books.

"Incur" means issue, assume, guarantee, incur or otherwise become liable (and the terms "Incurrence", "Incurring" and "Incurred" shall have correlative meanings).

"Indebtedness" means, with respect to any Person, on any date of determination, without duplication:

(a) the principal in respect of:

(i) indebtedness of such Person for money borrowed and

(ii) indebtedness evidenced by notes, debentures (including the Securities), bonds or other similar instruments for the payment of which such Person is responsible or liable, including, in each case, any premium on such indebtedness to the extent such premium has become due and payable;

(b) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale/Leaseback Transactions entered into by such Person;

(c) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such

Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business);

(d) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction (other than obligations with respect to letters of credit securing obligations (other than obligations described in clauses (a) through (c) above) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the tenth Business Day following payment on the letter of credit);

(e) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock or, with respect to any Subsidiary of such Person, the liquidation preference with respect to, any Preferred Stock (but excluding, in each case, any accrued dividends);

(f) all obligations of the type referred to in clauses (a) through (e) of other Persons and all dividends of other Persons for the payment of which, in either case, such Person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including by means of any Subsidiary Guarantee;

(g) all obligations of the type referred to in clauses (a) through (f) of other Persons secured by any Lien on any property or asset of such Person (whether or not such obligation is assumed by such Person), the amount of such obligation being deemed to be the lesser of the value of such property or assets or the amount of the obligation so secured; and

(h) to the extent not otherwise included in this definition, Hedging Obligations of such Person.

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date.

"Indenture" means this Indenture as amended or supplemented from time to time pursuant to the terms of this Indenture, including provisions of the TIA that are deemed to be a part hereof.

"Interest Payment Date" means May 15 and November 15 of each year, commencing May 15, 2004.

"Interest Rate Agreement" means in respect of a Person any interest rate swap agreement, interest rate cap agreement or other financial agreement or arrangement designed to protect such Person against fluctuations in interest rates.

"Initial Purchasers" means Wachovia Capital Markets, LLC and Goldman, Sachs & Co.

"Issue Date" means the date on which the Securities are originally issued.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"Liquidated Damages" has the meaning specified in Section 5 of the Registration Rights Agreement, except that such term, as used herein, shall mean only such Liquidated Damages that are payable with respect to the Securities. All references herein or in the Securities to interest accrued or payable as of any date shall include any Liquidated Damages accrued or payable as of such date as provided in the Registration Rights Agreement to the extent that, in such context, Liquidated Damages are, were or would be payable in respect of the Securities pursuant to the Registration Rights Agreement, and express mention of the payment of Liquidated Damages (if applicable) in any provision hereof shall not be construed as excluding Liquidated Damages in those provisions hereof where no express mention is not made; provided, however, that it is understood and agreed that, as set forth in the Registration Rights Agreement, Liquidated Damages may under certain circumstances be payable in respect of some of the Securities but not be payable in respect of the other Securities. Anything in this Indenture or the Securities to the contrary notwithstanding, Liquidated Damages, if any, shall only be payable under the circumstances provided in the Registration Rights Agreement and, if payable, shall be payable only to the Holders specified in the Registration Rights Agreement and only to the extent specified therein

"Obligation" means, with respect to any Indebtedness, any principal, interest, penalties, fees, indemnifications, reimbursements, including damages, and other liabilities payable under the documentation governing such Indebtedness.

"Officer" means the Chairman, the Chief Executive Officer, the President, any Vice President, the Chief Financial Officer, Treasurer, the Controller, the Secretary or Assistant Secretary of the Company or Guarantor, as

applicable, or any other officer designated by the Board of Directors serving in a similar capacity.

"Officers' Certificate" means a certificate signed by two Officers; provided, however, that for purposes of Section 7.4, "Officers' Certificate" means a certificate signed by the principal executive officer, principal financial officer or principal accounting officer of the Company and by one other Officer of the Company.

"Opinion of Counsel" means a written opinion from legal counsel reasonably acceptable to the Trustee. The counsel may be an employee of or counsel to the Company.

"Person" or "person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock," as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Purchase Date" means an Optional Purchase Date or a Designated Event Purchase Date, as applicable.

"Purchase Notice" means an Optional Purchase Notice or a Designated Event Purchase Notice, as applicable.

"Purchase Price" means the Optional Purchase Price or the Designated Event Purchase Price, as applicable.

"Principal" or "principal" of a debt security, including the Securities, means the principal of the security plus, when appropriate, the premium, if any, on the security.

"Redemption Date" when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to this Indenture.

"Redemption Price" when used with respect to any Security to be redeemed, means the price fixed for such redemption pursuant to this Indenture.

"Registration Rights Agreement" means the Registration Rights Agreement dated, as of November 10, 2003, among the Company, each of the Guarantors and the Initial Purchasers.

"Representative" means (a) the indenture trustee or other trustee, agent or representative for any Senior Indebtedness or (b) with respect to any Senior Indebtedness that does not have any such trustee, agent or other representative, (i) in the case of such Senior Indebtedness issued pursuant to an agreement providing for voting arrangements as among the holders or owners of such Senior Indebtedness, any holder or owner of such Senior Indebtedness acting

with the consent of the required persons necessary to bind such holders or owners of such Senior Indebtedness and (ii) in the case of all other such Senior Indebtedness, the holder or owner of such Senior Indebtedness.

"Restricted Global Security" means a Global Security that is a Restricted Security.

"Restricted Security" means a Security required to bear the restrictive legend set forth in the form of Security set forth in Exhibit A and Exhibit B of this Indenture.

"Rule 144" means Rule 144 under the Securities Act or any successor to such Rule.

"Rule 144A" means Rule 144A under the Securities Act or any successor to such Rule.

"Sale/Leaseback Transaction" means an arrangement relating to property now owned or hereafter acquired whereby the Company or a Guarantor transfers such property to a Person and the Company or a Guarantor leases it from such Person.

"SEC" means the Securities and Exchange Commission.

"Securities" has the meaning assigned to it in the preamble to this Indenture.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as in effect from time to time.

"Securities Custodian" means the Trustee, as custodian of the Depositary with respect to the Securities in the form of a Global Security, or any successor thereto.

"Senior Indebtedness" means

(a) Indebtedness of such Person, whether outstanding on the Issue Date or thereafter Incurred,

(b) accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to such Person to the extent post-filing interest is allowed in such proceeding) in respect of (i) indebtedness of such Person for money borrowed and (ii) indebtedness evidenced by notes, debentures (including the Securities), bonds or other similar instruments for the payment of which such Person is responsible or liable unless, in the case of (a) and (b), in the instrument creating or evidencing the same or pursuant to which the same is outstanding, it is provided that such obligations are subordinate in right of payment to the Securities, and

(c) Indebtedness under the Credit Facility;

provided, however, that Senior Indebtedness shall not include

(A) any obligation of such Person to any Subsidiary,

(B) any liability for Federal, state, local or other taxes owed or owing by such Person,

(C) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including guarantees thereof or instruments evidencing such liabilities),

(D) any Indebtedness of such Person (and any accrued and unpaid interest in respect thereof) which is subordinate or junior in any respect to any other Indebtedness or other obligation of such Person, or

(E) that portion of any Indebtedness which at the time of Incurrence is Incurred in violation of this Indenture.

"Senior Subordinated Indebtedness" means (a) with respect to the Company, the Securities, the 13% Notes and any other Indebtedness of the Company that specifically provides that such Indebtedness is to have the same rank as the Securities in right of payment and is not subordinated by its terms in right of payment to any Indebtedness or other obligation of the Company which is not Senior Indebtedness and (b) with respect to any Guarantor, the Subsidiary Guarantee, its guarantee of the 13% Notes and any other Indebtedness of such Guarantor that specifically provides that such Indebtedness is to have the same rank as the Subsidiary Guarantees in right of payment and is not subordinated by its term in right or payment to any Indebtedness or other obligation of such Guarantor which is not Senior Indebtedness.

"Significant Subsidiary" means any Subsidiary of the Company that is a "significant subsidiary" as defined in Rule 1-02 of Regulation S-X under the Exchange Act.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the final payment of

principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

"Subordinated Obligation" means any Indebtedness of the Company (whether outstanding on the Issue Date or thereafter Incurred) which is subordinate or junior in right of payment to the Securities pursuant to a written agreement to that effect.

"Subsidiary" means, in respect of any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by

(a) such Person,

(b) such Person and one or more Subsidiaries of such Person, or

(c) one or more Subsidiaries of such Person.

"Subsidiary Guarantee" means a guarantee by a Guarantor of the Company's obligations with respect to the Securities.

"Tax Original Issue Discount" means the amount of ordinary interest income on a Security that must be accrued as original issue discount for United States Federal income tax purposes pursuant to Treasury Regulation Section 1.1275-4.

"TIA" means the Trust Indenture Act of 1939, as amended, and the rules and regulations thereunder as in effect on the date of this Indenture, except as provided in Section 11.3, and except to the extent any amendment to the Trust Indenture Act expressly provides for application of the Trust Indenture Act as in effect on another date.

"Trading Day" means, with respect to any security, each Monday, Tuesday, Wednesday, Thursday and Friday, other than any day on which securities are not generally traded on the principal exchange or market in which such security is traded.

"Trading Price" means, on any date of determination, the average of the secondary market bid quotations per $1,000 principal amount of Securities obtained by the Trustee for $10,000,000 principal amount of Securities at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers selected by the Company; provided, that if three such bids cannot reasonably be obtained by the Trustee, but two bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the Trustee, one bid shall be used.

"Trustee" means the party named as such in the first paragraph of this Indenture until a successor replaces it in accordance with the provisions of this Indenture, and thereafter means the successor.

"Trust Officer" means, with respect to the Trustee, any officer assigned to the Corporate Trust Office, and also, with respect to a particular matter, any other officer to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

"Vice President" when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title "vice president."

"Voting Stock" of a Person means stock of the class or classes pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of a corporation or other entity (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

SECTION 1.2. Other Definitions.

<TABLE>
<CAPTION>

Term	Defined in Section
<S>	<C>
"Adjusted Maximum Amount".....	13.4(b)

Term	Defined in Section
"Agent Members"	2.1(b)

Term	Defined in Section
"Aggregate Payments"	13.4(b)
"Bankruptcy Law"	9.1
"Blockage Notice"	6.3,14.3
"Company Order"	2.2
"Conversion Agent"	2.3
"Conversion Date"	5.2
"Conversion Rate"	5.1
"Custodian"	9.1
"Depositary"	2.1
"Designated Event"	3.8(a)
"Designated Event Purchase Date"	3.8(a)
"Designated Event Purchase Notice"	3.8(c)
"Designated Event Purchase Price"	3.8(a)
"Distributed Property"	5.6(e)
"Event of Default"	9.1
"Expiration Time"	5.6(f)
"Fair Share"	13.4(b)
"Fair Share Shortfall"	13.4(b)
"Funding Guarantor"	13.4(b)
"Fraudulent Transfer Laws"	13.4(a)
"Guarantee Obligations"	14.1
"Insignificant Subsidiaries"	9.1(i)
"Legal Holiday"	15.7
"Legend"	2.12
"Moody's"	5.1
"Optional Purchase Date"	3.7(a)
"Optional Purchase Notice"	3.7(c)
"Optional Purchase Price"	3.7(a)
"Paying Agent"	2.3
"Payment Blockage Period"	6.3, 14.3
"Purchased Shares"	5.6(i)
"QIB"	2.1
"Registrar"	2.3
"Semi-annual Period"	4.1
"Standard & Poor's"	5.1
"Subsidiary Distribution"	5.6(e)

</TABLE>

SECTION 1.3. Incorporation by Reference of Trust Indenture

Act. Whenever this Indenture refers to a provision of the TIA, that provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Securities;

"indenture security holder" means a Securityholder;

"indenture to be qualified" means this Indenture;

"indenture trustee" or "institutional trustee" means the Trustee; and

"obligor" on the indenture securities means the Company or any other obligor on the Securities.

All other terms used in this Indenture that are defined in the TIA, defined by TIA reference to another statute or defined by any SEC rule and not otherwise defined herein have the meanings assigned to them therein.

SECTION 1.4. Rules of Construction. Unless the context otherwise requires:

(a) a term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(c) words in the singular include the plural, and words in the plural include the singular;

(d) "or" is not exclusive;

(e) "including" means including without limitation;

(f) the masculine gender includes the feminine and the neuter;

(g) references to agreements and other instruments include subsequent amendments thereto; and

(h) "herein," "hereof" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

ARTICLE 2

THE SECURITIES

SECTION 2.1. Form and Dating. The Securities and the Trustee's certificate of authentication shall be substantially in the respective forms set forth in Exhibit A and Exhibit B, which Exhibits are incorporated in and made part of this Indenture. The Securities may have notations, legends or endorsements required by law, stock exchange rule or usage. The Company shall provide any such notations, legends or endorsements to the Trustee in writing. Each Security shall be dated the date of its authentication.

(a) Restricted Global Securities. All of the Securities are initially being offered and sold in the United States to "qualified institutional buyers" as defined in Rule 144A (collectively, "QIBs" or individually, each a "QIB") in reliance on Rule 144A under the Securities Act and shall be issued initially in the form of one or more Restricted Global

Securities, which shall be deposited on behalf of the purchasers of the Securities represented thereby with the Trustee, at its Corporate Trust Office, as custodian for the depositary, The Depository Trust Company (such depositary, or any successor thereto, being hereinafter referred to as the "Depositary"), and registered in the name of its nominee, Cede & Co., duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount at the Final Maturity Date of the Restricted Global Securities may from time to time be increased or decreased by adjustments made on the records of the Securities Custodian as hereinafter provided, subject in each case to compliance with the Applicable Procedures.

(b) Global Securities In General. Each Global Security shall represent such of the outstanding Securities as shall be specified therein and each shall provide that it shall represent the aggregate amount at the Final Maturity Date of outstanding Securities from time to time endorsed thereon and that the aggregate amount of outstanding Securities represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges,

redemptions, purchases or conversions of such Securities. Any adjustment of the aggregate principal amount of a Global Security to reflect the amount of any increase or decrease in the amount of outstanding Securities represented thereby shall be made by the Trustee and shall be made on the records of the Trustee and the Depositary.

Members of, or participants in, the Depositary ("Agent Members") shall have no rights under this Indenture with respect to any Global Security held on their behalf by the Depositary or under the Global Security, and the Depositary (including, for this purpose, its nominee) may be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner and Holder of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall (A) prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or (B) impair, as between the Depositary and its Agent Members, the operation of customary practices governing the exercise of the rights of a Holder of any Security.

(c) Book Entry Provisions. The Company shall execute and the Trustee shall, in accordance with this Section 2.1(c), authenticate and deliver initially one or more Global Securities that (i) shall be registered in the name of the Depositary or its nominee, (ii) shall be delivered by the Trustee to the Depositary or pursuant to the Depositary's instructions or held by the Trustee as custodian for such Depositary and (iii) shall bear legends substantially to the following effect:

> "UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO ACTUANT CORPORATION (THE "COMPANY") OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED

> REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.
>
> TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS, IN WHOLE BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ARTICLE TWO OF THE INDENTURE."

(d) Certificated Securities. Securities not issued in the Global Securities will be issued as Certificated Securities.

SECTION 2.2. Execution and Authentication. An Officer shall sign the Securities for the Company by manual or facsimile signature. Typographic and other minor errors or defects in any such facsimile signature shall not affect the validity or enforceability of any Security which has been authenticated and delivered by the Trustee.

If an Officer whose signature is on a Security no longer holds that office at the time the Trustee authenticates the Security, the Security shall be valid nevertheless.

A Security shall not be valid until an authorized signatory of the Trustee manually signs the certificate of authentication on the Security. The signature shall be conclusive evidence that the Security has been authenticated under this Indenture.

The Trustee shall authenticate and make available for delivery Securities for original issue in the aggregate principal amount of up to $150,000,000 upon receipt of a written order or orders of the Company signed by two Officers of the Company (a "Company Order"). The Company Order shall specify the amount of Securities to be authenticated, shall provide that all such Securities will be represented by a Restricted Global Security and the date on which each original issue of Securities is to be authenticated. The aggregate principal amount of Securities outstanding at any time may not exceed the amount set forth in the foregoing sentence, except as provided in Section 2.7.

The Securities shall be issuable only in registered form without coupons and only in denominations of $1,000 principal amount and any integral multiple thereof.

SECTION 2.3. Registrar, Paying Agent and Conversion Agent. The Company shall maintain one or more offices or agencies where Securities may be

presented for registration of transfer or for exchange (each, a "Registrar"), one or more offices or agencies where Securities may be presented for payment (each, a "Paying Agent"), one or more offices or agencies where Securities may be presented for conversion (each, a "Conversion Agent"), and one or more

offices or agencies where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served. The Company will at all times maintain a Paying Agent, Conversion Agent, Registrar, and an office or agency where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served in the Borough of Manhattan, The City of New York. The Registrar shall keep a register of the Securities and of their transfer and exchange.

The Company shall enter into an appropriate agency agreement with any Agent that is not the Trustee. The agreement shall implement the provisions of this Indenture that relate to such Agent. The Company shall promptly notify the Trustee of the name and address of any Agent not a party to this Indenture. If the Company fails to maintain a Registrar, Paying Agent, Conversion Agent, or agent for service of notices and demands in any place required by this Indenture, or fails to give the foregoing notice, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 10.7. The Company or any Affiliate of the Company may act as Paying Agent, except that for purposes of Articles 3 and 11, neither the Company nor any of the Guarantors or their respective Affiliates shall act as Paying Agent.

The Company hereby initially designates the Trustee as Paying Agent, Registrar, Securities Custodian and Conversion Agent, and the Corporate Trust Office of the Trustee in the Borough of Manhattan, The City of New York for each of the aforesaid purposes.

SECTION 2.4. Paying Agent to Hold Money in Trust. Prior to 10:00 a.m., New York City time, on each due date of the principal of or interest, Contingent Interest, if any, and Liquidated Damages, if any, on any Securities, the Company shall deposit with a Paying Agent a sum (in immediately available funds if deposited on the due date) sufficient to pay such principal or interest, Contingent Interest, if any, and Liquidated Damages, if any, so becoming due. A Paying Agent shall agree in writing to hold in trust for the benefit of Securityholders or the Trustee all money held by the Paying Agent for the payment of principal of or interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Securities (whether such assets have been distributed to it by the Company, the Guarantors or any other obligor on the Securities), and shall notify the Trustee of any default by the Company or the Guarantors (or any other obligor on the Securities) in making any such payment. If the Company or an Affiliate of the Company acts as Paying Agent, the Company or such Affiliate shall, before 10:00 a.m. New York City time, on each due date of the principal of or interest, Contingent Interest, if any, and Liquidated Damages, if any, on any Securities, segregate the money and hold it as a separate trust fund. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee, and the Trustee may at any time during the continuance of any default, upon written request to a Paying Agent, require such Paying Agent to pay forthwith to the Trustee all sums so held in trust by such Paying Agent. Upon doing so, the Paying Agent (other than the Company) shall have no further liability for the money.

SECTION 2.5. Securityholder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Securityholders. If the Trustee is not the Registrar, the Company shall furnish to the Trustee on or before each semi-annual Interest Payment Date and not more than 15 calendar days after the applicable record date, and at such other times as the Trustee may request in

writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Securityholders.

SECTION 2.6. Transfer and Exchange. (a) Subject to Section 2.12 herein, when a Security is presented to a Registrar with a request to register a transfer thereof or to exchange such Security for an equal principal amount of Securities of other authorized denominations, the Registrar shall register the transfer or make the exchange as requested; provided, however, that every Security presented or surrendered for registration of transfer or exchange shall be duly endorsed or accompanied by an assignment form and, if applicable, a transfer certificate each in the form included in Exhibit C, and in form satisfactory to the Registrar duly executed by the Holder thereof or its attorney duly authorized in writing. To permit registration of transfers and exchanges, upon surrender of any Security for registration of transfer or exchange at an office or agency maintained pursuant to Section 2.3, the Company shall execute and the Trustee shall authenticate Securities of a like aggregate principal amount at the Registrar's request. Any exchange or transfer shall be

without charge, except that the Company or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto, and provided that this sentence shall not apply to any exchange pursuant to Sections 2.10, 2.12(a), 3.6, 3.11, 5.2 (conversion in part) or 12.5.

Neither the Company, any Registrar nor the Trustee shall be required to exchange or register a transfer of (i) any Securities for a period of 15 days next preceding any mailing of a notice of Securities to be redeemed, (ii) any Securities or portions thereof selected or called for redemption (except, in the case of redemption of a security in part, the portion thereof not to be redeemed), (iii) any Securities or portions thereof in respect of which a Purchase Notice has been delivered and not withdrawn by the Holder thereof (except, in the case of the purchase of a Security in part, the portion thereof not to be purchased) or (iv) any Securities or portions thereof which have been submitted for conversion pursuant to Article 5.

All Securities issued upon any transfer or exchange of Securities shall be valid obligations of the Company, evidencing the same debt and entitled to the same benefits under this Indenture, as the Securities surrendered upon such transfer or exchange.

(b) Any Registrar appointed pursuant to Section 2.3 hereof shall provide to the Trustee such information as the Trustee may reasonably require in connection with the delivery by such Registrar of Securities upon transfer or exchange of Securities.

The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security (including any transfers between or among Agent Members or other beneficial owners of interests in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Each Holder of a Security agrees to indemnify the Trustee against any liability that may result from the transfer, exchange or assignment of such Holder's Security in violation of any provision of this Indenture and/or applicable United States Federal or state securities law.

SECTION 2.7. Replacement Securities. If any mutilated Security is surrendered to the Company, a Registrar or the Trustee, or the Company, a Registrar and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Security, and there is delivered to the Company, the applicable Registrar and the Trustee such security or indemnity as will be required by them to save each of them harmless, then, in the absence of notice to the Company, such Registrar or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute and the Trustee shall authenticate and deliver, in exchange for any such mutilated Security or in lieu of any such destroyed, lost or stolen Security, a new Security of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, or is about to be redeemed or purchased by the Company pursuant to Article 3, the Company in its discretion may, instead of issuing a new Security, pay, redeem or purchase such Security, as the case may be.

Upon the issuance of any new Securities under this Section 2.7, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other reasonable expenses (including the reasonable fees and expenses of the Trustee or the Registrar) in connection therewith.

Every new Security issued pursuant to this Section 2.7 in lieu of any mutilated, destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Company, whether or not the mutilated, destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all benefits of this Indenture equally and proportionately with any and all other Securities duly issued hereunder.

The provisions of this Section 2.7 are (to the extent lawful) exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

SECTION 2.8. Outstanding Securities. Securities outstanding at any time are all Securities authenticated by the Trustee, except for those canceled by it, those paid pursuant to Section 2.7, those converted pursuant to Article 5, those delivered to it for cancellation or surrendered for transfer or

exchange and those described in this Section 2.8 as not outstanding.

If a Security is replaced pursuant to Section 2.7, it ceases to be outstanding unless the Company receives proof satisfactory to it that the replaced Security is held by a bona fide purchaser.

If a Paying Agent holds or, in the case of the Company or Affiliate of the Company, the Company or such Affiliate has set aside and segregated in trust, on a Redemption Date, a Purchase Date or the Final Maturity Date money sufficient to pay the principal of (including premium, if any) and accrued interest, Contingent Interest, if any, and Liquidated Damages, if any,

on Securities (or portions thereof) payable on that date, then on and after such Redemption Date, Purchase Date or the Final Maturity Date, as the case may be, such Securities (or portions thereof, as the case may be) shall cease to be outstanding and interest, Contingent Interest, if any, and Liquidated Damages, if any, on them shall cease to accrue; provided, that if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefore satisfactory to the Trustee has been made.

Subject to the restrictions contained in Section 2.9, a Security does not cease to be outstanding because the Company or an Affiliate of the Company holds the Security.

If a Security has been converted in accordance with Article 5, then from and after the time of conversion on the Conversion Date, such Security shall cease to be outstanding and interest, Contingent Interest, if any, and Liquidated Damages, if any, shall cease to accrue on such Security.

SECTION 2.9. Treasury Securities. In determining whether the Holders of the required principal amount of Securities have concurred in any notice, direction, waiver or consent, Securities owned by the Company or any other obligor on the Securities or by any Affiliate of the Company or of such other obligor shall be disregarded, except that, for purposes of determining whether the Trustee shall be protected in relying on any such notice, direction, waiver or consent, only Securities which a Trust Officer of the Trustee actually knows are so owned shall be so disregarded. Securities so owned which have been pledged in good faith shall not be disregarded if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to the Securities and that the pledgee is not the Company or any other obligor on the Securities or any Affiliate of the Company or of such other obligor.

SECTION 2.10. Temporary Securities. Until definitive Securities are ready for delivery, the Company may prepare and execute, and, upon receipt of a Company Order, the Trustee shall authenticate and deliver, temporary Securities. Temporary Securities shall be substantially in the form of definitive Securities but may have variations that the Company with the consent of the Trustee considers appropriate for temporary Securities. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate and deliver definitive Securities in exchange for temporary Securities. After the preparation of definitive Securities, the temporary Securities shall be exchangeable for definitive Securities upon surrender of the temporary Securities at the office or agency of the Company designated for such purpose pursuant to Section 2.3, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities, the Company shall execute and, upon receipt of a Company Order, the Trustee shall authenticate and deliver in exchange therefor a like principal amount at the Final Maturity Date of definitive Securities of authorized denominations. Until so exchanged, the temporary Securities shall in all respects be entitled to the same benefits under this Indenture as definitive Securities.

SECTION 2.11. Cancellation. The Company at any time may deliver Securities to the Trustee for cancellation. The Registrar, the Paying Agent and the Conversion Agent shall forward to the Trustee or its agent any Securities surrendered to them for transfer, exchange, redemption, payment or

conversion. The Trustee and no one else shall cancel, in accordance with its standard procedures, all Securities surrendered for transfer, exchange, redemption, payment, conversion or cancellation and shall deliver the canceled Securities to the Company. All Securities which are redeemed, purchased or otherwise acquired by the Company or any of its Subsidiaries prior to the Final Maturity Date shall be delivered to the Trustee for cancellation, and the Company may not hold or resell such Securities or issue any new Securities to replace any such Securities or any Securities that any Holder has converted pursuant to Article 4. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section 2.11, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be disposed of by the Trustee in accordance with its customary procedures.

SECTION 2.12. Legend; Additional Transfer and Exchange Requirements. (a) If Securities are issued upon the transfer, exchange or replacement of Securities subject to restrictions on transfer and bearing the legends set forth on the forms of Securities attached hereto as Exhibit A and Exhibit B (collectively, the "Legend"), or if a request is made to remove the Legend on a Security, the Securities so issued shall bear the Legend, or the Legend shall not be removed, as the case may be, unless there is delivered to the Company and the Registrar such satisfactory evidence, which shall include an opinion of counsel if requested by the Company or such Registrar, as may be reasonably required by the Company and the Registrar, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of Rule 144A or Rule 144 under the Securities Act or that such Securities are not "restricted" within the meaning of Rule 144 under the Securities Act; provided that no such evidence need be supplied in connection with the sale of such Security pursuant to a registration statement that is effective at the time of such sale. Upon (i) provision of such satisfactory evidence if requested, or (ii) notification by the Company to the Trustee and Registrar of the sale of such Security pursuant to a registration statement that is effective at the time of such sale, the Trustee, upon receipt of a Company Order, shall authenticate and deliver a Security that does not bear the Legend. If the Legend is removed from the face of a Security and the Security is subsequently held by an Affiliate of the Company, the Company shall use its best efforts to reinstate the Legend.

(b) A Global Security may not be transferred, in whole or in part, to any Person other than the Depositary or a nominee or any successor thereof, and no such transfer to any such other Person may be registered; provided that the foregoing shall not prohibit any transfer of a Security that is issued in exchange for a Global Security but is not itself a Global Security. No transfer of a Security to any Person shall be effective under this Indenture or the Securities unless and until such Security has been registered in the name of such Person. Notwithstanding any other provisions of this Indenture or the Securities, transfers of a Global Security, in whole or in part, shall be made only in accordance with this Section 2.12.

(c) Subject to the succeeding paragraph, every Security shall be subject to the restrictions on transfer provided in the Legend, including the requirement of the delivery of an opinion of counsel. Whenever any Restricted Security is presented or surrendered for registration of transfer or for exchange for a Security registered in a name other than that of the Holder, such Security must be accompanied by a certificate in substantially the form set forth in Exhibit C, dated the date of such surrender and signed by the Holder of such Security, as to compliance with such restrictions on transfer. The

Registrar shall not be required to accept for such registration of transfer or exchange any Security not so accompanied by a properly completed certificate.

(d) The restrictions imposed by the Legend upon the transferability of any Security shall cease and terminate when such Security has been sold pursuant to an effective registration statement under the Securities Act or transferred in compliance with Rule 144 under the Securities Act (or any successor provision thereto) or, if earlier, upon the expiration of the holding period applicable to sales thereof under Rule 144(k) under the Securities Act (or any successor provision). Any Security as to which such restrictions on transfer shall have expired in accordance with their terms or shall have terminated may, upon a surrender of such Security for exchange to the Registrar in accordance with the provisions of this Section 2.12 (accompanied, in the event that such restrictions on transfer have terminated by reason of a transfer in compliance with Rule 144 or any successor provision, by, if requested, an opinion of counsel addressed to the Company and in form acceptable to the Company, to the effect that the transfer of such Security has been made in compliance with Rule 144 or such successor provision), be exchanged for a new Security, of like tenor and aggregate principal amount, which shall not bear the restrictive Legend. The Company shall inform the Trustee of the effective date of any registration statement registering the Securities under the Securities Act. The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the aforementioned opinion of counsel or registration statement.

(e) As used in the preceding two paragraphs of this Section 2.12, the term "transfer" encompasses any sale, pledge, transfer, hypothecation or other disposition of any Security.

(f) The provisions of clauses (i), (ii), (iii), (iv) and (v) below shall apply only to Global Securities:

(i) Notwithstanding any other provisions of this Indenture or the Securities, a Global Security shall not be exchanged in whole or in part for a Security registered in the name of any Person other than the Depositary or one or more nominees thereof, provided that a Global Security may be exchanged for Securities registered in the names of any

person designated by the Depositary in the event that (A) the Depositary has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or such Depositary has ceased to be a "clearing agency" registered under the Exchange Act, and a successor Depositary is not appointed by the Company within 90 days, (B) the Company has provided the Depositary with written notice that it has decided to discontinue use of the system of book-entry transfer through the Depositary or any successor Depositary or (C) an Event of Default has occurred and is continuing with respect to the Securities and the payment of the Securities is accelerated pursuant to Section 9.2 and a Holder has made a written request for the exchange of a Global Security into definitive, fully registered form. Any Global Security exchanged pursuant to clause (A) or (B) above shall be so exchanged in whole and not in part, and any Global Security exchanged pursuant to clause (C) above may be exchanged in whole or from time to time in part as directed by the Depositary. Any Security issued in exchange for a Global Security or any portion thereof shall be a Global Security; provided that any such Security so issued that is registered

in the name of a Person other than the Depositary or a nominee thereof shall not be a Global Security.

(ii) Securities issued in exchange for a Global Security or any portion thereof shall be issued in definitive, fully registered form, without interest coupons, shall have an aggregate principal amount equal to that of such Global Security or portion thereof to be so exchanged, shall be registered in such names and be in such authorized denominations as the Depositary shall designate and shall bear the applicable legends provided for herein. Any Global Security to be exchanged in whole shall be surrendered by the Depositary to the Trustee, as Registrar. With regard to any Global Security to be exchanged in part, either such Global Security shall be so surrendered for exchange or, if the Trustee is acting as custodian for the Depositary or its nominee with respect to such Global Security, the principal amount thereof shall be reduced, by an amount equal to the portion thereof to be so exchanged, by means of an appropriate adjustment made on the records of the Trustee. Upon any such surrender or adjustment, the Trustee shall authenticate and deliver the Security issuable on such exchange to or upon the order of the Depositary or an authorized representative thereof.

(iii) Subject to the provisions of clause (v) below, the registered Holder may grant proxies and otherwise authorize any Person, including Agent Members and persons that may hold interests through Agent Members, to take any action which a Holder is entitled to take under this Indenture or the Securities.

(iv) In the event of the occurrence of any of the events specified in clause (i) above, the Company will promptly make available to the Trustee a reasonable supply of Certificated Securities in definitive, fully registered form, without interest coupons.

(v) Neither Agent Members nor any other Persons on whose behalf Agent Members may act shall have any rights under this Indenture with respect to any Global Security registered in the name of the Depositary or any nominee thereof, or under any such Global Security, and the Depositary or such nominee, as the case may be, may be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner and holder of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or such nominee, as the case may be, or impair, as between the Depositary, its Agent Members and any other person on whose behalf an Agent Member may act, the operation of customary practices of such Persons governing the exercise of the rights of a holder of any Security.

SECTION 2.13. Defaulted Interest.

If the Company defaults in a payment of interest, Contingent Interest, if any, or Liquidated Damages, if any, on the Securities (without regard to any grace period therefor), it shall pay the such interest, Contingent Interest, if any, or Liquidated Damages, if any (referred to together in this Section as "defaulted interest"), plus (to the extent lawful) any interest payable on the defaulted interest to the Persons who are Holders on a subsequent special record date, which date shall be no less than 10 days preceding the date

fixed by the Company for the payment of defaulted interest or the next

succeeding Business Day if such date is not a Business Day. At least 15 days before the subsequent special record date, the Company shall mail to each Holder, as of a recent date selected by the Company, with a copy to the Trustee, a notice that states the subsequent special record date, the payment date and the amount of defaulted interest, and interest payable on such defaulted interest, if any, to be paid.

Alternatively, the Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee and the Paying Agent of the proposed payment pursuant to this clause, such manner shall be deemed practicable by the Trustee and the Paying Agent.

SECTION 2.14. Calculation of Tax Original Issue Discount.

The Company agrees, and each Holder and any beneficial owner of a Security by its purchase or acceptance thereof shall be deemed to agree, to treat, for United States federal income tax purposes, the Securities as debt instruments that are subject to Treasury Regulation Section 1.1275-4(b). For United States federal income tax purposes, the Company agrees, and each Holder and any beneficial owner of a Security by its purchase or acceptance thereof shall be deemed to agree, to treat the fair market value of the Common Stock received upon the conversion of a Security as a contingent payment for purposes of Treasury Regulation Section 1.1275-4(b) that will result in an adjustment under Treasury Regulation Section 1.1275-4(b)(3)(iv) and Treasury Regulation Section 1.1275-4(b)(6) and to accrue interest with respect to outstanding Securities as original issue discount for United States federal income tax purposes (i.e., Tax Original Issue Discount) according to the "noncontingent bond method," set forth in Section 1.1275-4(b) of the Treasury Regulations, using the comparable yield set forth in Schedule I to this Indenture compounded semi-annually and the projected payment schedule attached as Schedule I to this Indenture.

The Company acknowledges and agrees, and each Holder and any beneficial owner of a Security by its purchase or acceptance thereof shall be deemed to acknowledge and agree, that (a) the comparable yield means the annual yield the Company would pay, as of the date of this Indenture for United States federal income tax purposes, on a noncontingent, nonconvertible, fixed-rate debt instrument with terms and conditions otherwise similar to those of the Securities, (b) the schedule of projected payments is determined, in part, on the basis of an assumption of linear growth of the stock price and is not determined for any purpose other than for the determination of interest accruals and adjustments thereof in respect of the Securities for United States federal income tax purposes and (c) the comparable yield and the schedule of projected payments do not constitute a projection or representation regarding the amounts payable on the Securities.

SECTION 2.15. CUSIP Numbers. The Company in issuing the Securities may use one or more "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption or purchase as a convenience to Holders; provided that no representation is made as to the correctness of such numbers either as printed on the Securities or as

contained in any notice of a redemption or purchase and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption or purchase shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee of any change in the "CUSIP" numbers.

ARTICLE 3

REDEMPTION AND PURCHASES

SECTION 3.1. Right to Redeem; Notice to Trustee. The Securities may be redeemed at the election of the Company, as a whole or from time to time in part, at any time on or after November 20, 2010, at a redemption price equal to 100% of the principal amount of the Securities being redeemed, plus accrued and unpaid interest, Contingent Interest, if any, and Liquidated Damages, if any, up to, but not including, the Redemption Date; provided that if the Redemption Date falls after an interest payment record date and on or before an Interest Payment Date, then the full amount of accrued and unpaid interest to the Interest Payment Date, including Contingent Interest, if any, and Liquidated Damages, if any, will be payable to the Holders in whose name the Securities are registered at the close of business on the interest payment record date.

The Company may not redeem the Securities pursuant to this Section 3.1 if the Company has defaulted in the payment of interest or Contingent Interest, if any, on the Securities and such default is continuing.

If the Company elects to redeem Securities pursuant to this

Section 3.1, it shall notify the Trustee at least 30 days prior to the Redemption Date as fixed by the Company of the Redemption Date and the principal amount of Securities to be redeemed. If fewer than all of the Securities are to be redeemed, the record date relating to such redemption shall be selected by the Company and given to the Trustee, which record date shall not be less than ten days after the date of notice to the Trustee.

SECTION 3.2. Selection of Securities to Be Redeemed. If less than all of the Securities are to be redeemed, unless the procedures of the Depositary provide otherwise, the Trustee shall, at least 30 days but not more than 60 days prior to the Redemption Date, select the Securities to be redeemed. The Trustee shall make the selection from the Securities outstanding and not previously called for redemption on a pro rata basis or by lot, or by any other method the Trustee considers fair and appropriate. The Trustee may select for redemption portions (equal to $1,000 or any integral multiple thereof) of the principal of Securities that have denominations larger than $1,000. Provisions of this indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption.

If any Security selected for partial redemption is converted in part before termination of the conversion right with respect to the portion of the Security so selected, the converted portion of such Security shall be deemed to be the portion selected for redemption. Securities which have been converted during a selection of Securities to be redeemed shall be treated by the Trustee as outstanding for the purpose of such selection.

SECTION 3.3. Notice of Redemption. At least 30 days but not more than 60 days before a Redemption Date, the Company shall mail or cause to be mailed a notice of redemption to each Holder to be redeemed at such Holder's address as it appears on the Registrar's books.

The notice shall identify the Securities (including the CUSIP number) to be redeemed and shall state:

(a) the Redemption Date;

(b) the Redemption Price, including accrued and unpaid interest, Contingent Interest, if any, and Liquidated Damages, if any, payable on the Redemption Date;

(c) the Conversion Rate;

(d) the name and address of each Paying Agent and Conversion Agent;

(e) that Securities called for redemption must be presented and surrendered to a Paying Agent to collect the Redemption Price, including accrued interest, Contingent Interest, if any, and Liquidated Damages, if any;

(f) that Holders who wish to convert Securities must surrender such Securities for conversion no later than the close of business on the Business Day immediately preceding the Redemption Date and must satisfy the other requirements set forth in Article 5 of the Indenture;

(g) that, unless the Company defaults in making the payment of the Redemption Price, including interest, Contingent Interest, if any, and Liquidated Damages, if any, on Securities called for redemption shall cease accruing on and after the Redemption Date and the only remaining right of the Holder shall be to receive payment of the Redemption Price, including accrued interest, Contingent Interest, if any, and Liquidated Damages, if any, upon presentation and surrender to a Paying Agent of the Securities; and

(h) if any Security is being redeemed in part, the portion of the principal amount of such Security to be redeemed and that, after the Redemption Date, upon presentation and surrender of such Security, a new Security or Securities in aggregate principal amount equal to the unredeemed portion thereof will be issued.

If any of the Securities to be redeemed is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to comply with the procedures of the Depositary applicable to redemptions. At the Company's written request, which request shall (i) be irrevocable once given and (ii) set forth all relevant information required by clauses (a) through (h) of the preceding paragraph, the Trustee shall give the notice of redemption in the Company's name and at the Company's expense; provided that the Company makes such request at least 15 days prior to the date by which such notice of redemption must be given to Holders in accordance with this Section 3.3.

SECTION 3.4. Effect of Notice of Redemption. Once notice of redemption is mailed, Securities called for redemption become due and payable on the Redemption Date and at the Redemption Price stated in the notice, including accrued interest, Contingent Interest, if any, and Liquidated Damages, if any, except for Securities that are converted in accordance with the provisions of Article 5.

SECTION 3.5. Deposit of Redemption Price. Prior to 10:00 a.m. New York City time, on the Redemption Date, the Company shall deposit with a Paying Agent (or, if the Company acts as Paying Agent, shall segregate and hold in trust) an amount of money (in immediately available funds if deposited on such Redemption Date) sufficient to pay the Redemption Price of and accrued interest, Contingent Interest, if any, and Liquidated Damages, if any, on all Securities to be redeemed on that date, other than Securities or portions thereof called for redemption on that date which have been delivered by the Company to the Trustee for cancellation or have been converted. The Paying Agent shall as promptly as practicable return to the Company any money not required for that purpose because of the conversion of Securities pursuant to Article 5 or, if such money is then held by the Company in trust and is not required for such purpose, it shall be discharged from the trust.

SECTION 3.6. Securities Redeemed in Part. Upon presentation and surrender of a Security that is redeemed in part, the Company shall execute and the Trustee shall authenticate and deliver to the Holder a new Security equal in principal amount to the unredeemed portion of the Security surrendered.

SECTION 3.7. Purchase of Securities at the Option of the Holder

(a) On November 15, 2010, November 15, 2013 and November 15, 2018 (each an "Optional Purchase Date"), Securities shall be purchased by the Company at the option of the Holders at a purchase price equal to 100% of the principal amount of the Securities, together with accrued and unpaid interest, Contingent Interest, if any, and Liquidated Damages, if any, up to, but excluding, the Optional Purchase Date (the "Optional Purchase Price"), subject to satisfaction by or on behalf of any Holder of the requirements set forth in subsection (c) of this Section 3.7.

The portion of the Optional Purchase Price representing accrued and unpaid interest, Contingent Interest, if any, and Liquidated Damages, if any, will be paid on the Optional Purchase Date to the Holders of the Securities at the close of business on the preceding interest payment record date.

No Securities may be purchased by the Company on any Optional Purchase Date if the principal amount of the Securities has been accelerated pursuant to the provisions of Section 9.2 and such acceleration has not been rescinded on or prior to the applicable Optional Purchase Date.

(b) Not less than 20 Business Days prior to an Optional Purchase Date (if any Securities are then outstanding), the Company shall mail a written notice of the Optional Purchase Date to the Trustee and to each Holder (and to beneficial owners as required by applicable law). The notice shall

include the form of a Optional Purchase Notice to be completed by the Holder and shall state:

(i) the date by which the Optional Purchase Notice pursuant to this Section 3.7 must be given;

(ii) the Optional Purchase Date;

(iii) the Optional Purchase Price;

(iv) the Holder's right to require the Company to purchase the Securities;

(v) the name and address of each Paying Agent;

(vi) the procedures that the Holder must follow to exercise rights under this Section 3.7;

(vii) the procedures for withdrawing a Optional Purchase Notice, including a form of notice of withdrawal;

(viii) that, unless the Company defaults in making payment of such Optional Purchase Price, interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Securities for which a Optional Purchase Notice has been delivered will cease to accrue on or after

the Optional Purchase Date;

(ix) the CUSIP number of the Securities.

If any of the Securities is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the procedures of the Depositary applicable to the repurchase of Global Securities.

(c) A Holder may exercise its rights specified in subsection (a) of this Section 3.7 upon delivery of a written notice (which shall be in substantially the form included in Exhibit D hereto and which may be delivered by letter, overnight courier, hand delivery, facsimile transmission or in any other written form and, in the case of Global Securities, must be delivered electronically or by other means in accordance with the Depositary's customary procedures) of the exercise of such rights (an "Optional Purchase Notice") to any Paying Agent during the period beginning at any time from the opening of business on the date that is 20 Business Days prior to the Optional Purchase Date until the close of business on the last Business Day prior to the Optional Purchase Date.

The delivery of such Security to any Paying Agent (together with all necessary endorsements) at the office of such Paying Agent shall be a condition to the receipt by the Holder of the Optional Purchase Price therefor.

The Company shall purchase from the Holder thereof, pursuant to this Section 3.7, a portion of a Security if the principal amount of such portion is $1,000 or an integral multiple of $1,000. Provisions of the Indenture

that apply to the purchase of all of a Security pursuant to Sections 3.7 and 3.9 through 3.13 also apply to the purchase of such portion of such Security.

Notwithstanding anything herein to the contrary, any Holder delivering to a Paying Agent the Optional Purchase Notice contemplated by this subsection (c) shall have the right to withdraw such Optional Purchase Notice in whole or in a portion thereof that is a principal amount of $1,000 or in an integral multiple thereof at any time prior to the close of business on the last Business Day prior to the Optional Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 3.9.

A Paying Agent shall promptly notify the Company of the receipt by it of any Optional Purchase Notice or written withdrawal thereof.

Anything herein to the contrary notwithstanding, in the case of Global Securities, any Optional Purchase Notice may be delivered or withdrawn and such Securities may be surrendered or delivered for purchase in accordance with the Applicable Procedures as in effect from time to time.

SECTION 3.8. Purchase of Securities at Option of the Holder Upon Designated Event. (a) If at any time that Securities remain outstanding there shall occur a Designated Event, Securities shall be purchased by the Company at the option of the Holders, as of the date that is not later than 35 Business Days after the date the Company delivers the notice of the Designated Event described in Section 3.8(c) (subject to extension to comply with applicable law) (the "Designated Event Purchase Date") at a purchase price equal to 100% of the principal amount of the Securities, together with accrued and unpaid interest, Contingent Interest, if any, and Liquidated Damages, if any, to, but excluding, the Designated Event Purchase Date (the "Designated Event Purchase Price"), subject to satisfaction by or on behalf of any Holder of the requirements set forth in subsection (c) of this Section 3.8.

"Designated Event" means the occurrence of any of the following events:

(A) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) other than the Company, the Company's Subsidiaries or the Company's or such Subsidiaries' employee benefit plans becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause (A) such person shall be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Company (for the purpose of this clause (A) a Person shall be deemed to beneficially own the Voting Stock of a corporation that is beneficially owned (as defined above) by another corporation (a "parent corporation") if such Person beneficially owns (as defined above) at least 50% of the aggregate voting power of all classes of Voting Stock of such parent corporation);

(B) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (together with any new directors whose election to such Board of Directors or whose nomination for election by the shareholders of the Company, was approved by a

vote of 66-2/3% of the directors of the Company then still in office who were

either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors then in office;

(C) the Company consolidates with or merges with or into any Person or conveys, transfers, sells, or otherwise disposes of or leases all or substantially all of the assets of the Company to any Person, or any corporation consolidates with or merges into or with the Company, in any such event pursuant to a transaction in which any of the outstanding Common Stock or other Voting Stock of the Company is changed into or exchanged for cash, securities or other property, other than any such transaction where none of the outstanding Common Stock or other Voting Stock of the Company is changed or exchanged at all (except to the extent necessary to reflect a change in the jurisdiction of incorporation of the Company), or where (a) all of the outstanding Common Stock or other Voting Stock of the Company is changed into or exchanged for (x) Voting Stock of the surviving corporation which is not Disqualified Stock or (y) cash, securities and other property (other than equity interests of the surviving corporation) and (b) no "person" or "group" owns immediately after such transaction, directly or indirectly, more than 50% of the total voting power of the outstanding Voting Stock of the surviving corporation, other than any "person" or "group" who owned more than 50% of the total voting power of the outstanding Voting Stock of the Company immediately prior to such transaction;

(D) the Company is liquidated or dissolved or the adoption of a plan relating to the liquidation or dissolution of the Company, other than in a transaction which complies with Section 8.1; or

(E) the Common Stock ceases to be listed on the New York Stock Exchange or another established national securities exchange or automated over-the-counter trading market in the United States.

Notwithstanding anything to the contrary set forth in this Section 3.8, a Designated Event will not be deemed to have occurred if either:

(A) the Closing Sale Price of the Common Stock for any five Trading Days during (i) the ten consecutive Trading Days immediately after the later of a Designated Event or the public announcement of such a Designated Event as described under (A) above, or (ii) the ten consecutive Trading Days immediately preceding a Designated Event as described under (B), (C) and (D) above, is, in either case, at least equal to 105% of the quotient where the numerator is $1,000 and the denominator is the Conversion Rate in effect on each of the five Trading Days; or

(B) in the case of a merger or consolidation, at least 95% of the consideration (excluding cash payments for fractional shares) in the merger or consolidation constituting the Designated Event consists of common stock traded on a United States national securities exchange or quoted on the Nasdaq National Market (or which will be so traded or quoted when issued or exchanged in connection with such Designated Event) and as a result of such transaction or transactions the Securities become convertible solely into such common stock.

(b) Within 20 days after the occurrence of a Designated Event, the Company shall mail a written notice of the Designated Event to the Trustee and to each Holder (and to beneficial owners as required by applicable law). The notice shall include the form of a Designated Event Purchase Notice to be completed by the Holder and shall state:

(i) the date of such Designated Event and, briefly, the events causing such Designated Event;

(ii) the date by which the Designated Event Purchase Notice pursuant to this Section 3.8 must be given;

(iii) the Designated Event Purchase Date;

(iv) the Designated Event Purchase Price;

(v) the Holder's right to require the Company to purchase the Securities;

(vi) briefly, the conversion rights of the Securities;

(vii) the name and address of each Paying Agent and Conversion Agent;

(viii) the Conversion Rate then in effect and any

adjustments thereto;

(ix) that Securities as to which a Designated Event Purchase Notice has been given may be converted into Common Stock pursuant to Article 5 of this Indenture only to the extent that the Designated Event Purchase Notice has been withdrawn in accordance with the terms of this Indenture;

(x) the procedures that the Holder must follow to exercise rights under this Section 3.8;

(xi) the procedures for withdrawing a Designated Event Purchase Notice, including a form of notice of withdrawal;

(xii) that, unless the Company defaults in making payment of such Designated Event Purchase Price, interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Securities for which a Designated Event Purchase Notice has been delivered will cease to accrue on or after the Designated Event Purchase Date;

(xiii) the CUSIP number of the Securities.

If any of the Securities is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to comply with the procedures of the Depositary applicable to the repurchase of Global Securities.

On the date the Company delivers the notice to the Trustee and Holders described above, the Company shall publish the information contained in such notice in a newspaper of general circulation in The City of New York, or publish the information on the Company's website or through such other public medium as the Company may use at such time.

(c) A Holder may exercise its rights specified in subsection (a) of this Section 3.8 upon delivery of a written notice (which shall be in substantially the form included in Exhibit D hereto and which may be delivered by letter, overnight courier, hand delivery, facsimile transmission or in any other written form and, in the case of Global Securities, may be delivered electronically or by other means in accordance with the Depositary's customary procedures) of the exercise of such rights (a "Designated Event Purchase Notice") to any Paying Agent at any time prior to the close of business on the 30th Business Day after the date the Company delivers the notice described in Section 3.8(c) (subject to extension to comply with applicable law).

The delivery of such Security to any Paying Agent (together with all necessary endorsements) at the office of such Paying Agent shall be a condition to the receipt by the Holder of the Designated Event Purchase Price therefor.

The Company shall purchase from the Holder thereof, pursuant to this Section 3.8, a portion of a Security if the principal amount of such portion is $1,000 or an integral multiple of $1,000. Provisions of the Indenture that apply to the purchase of all of a Security pursuant to Sections 3.8 through 3.13 also apply to the purchase of such portion of such Security.

Notwithstanding anything herein to the contrary, any Holder delivering to a Paying Agent the Designated Event Purchase Notice contemplated by this subsection (c) shall have the right to withdraw such Designated Event Purchase Notice in whole or in a portion thereof that is a principal amount of $1,000 or in an integral multiple thereof at any time prior to the close of business on the last Business Day prior to the Designated Event Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 3.9.

A Paying Agent shall promptly notify the Company of the receipt by it of any Designated Event Purchase Notice or written withdrawal thereof.

Anything herein to the contrary notwithstanding, in the case of Global Securities, any Designated Event Purchase Notice may be delivered or withdrawn and such Securities may be surrendered or delivered for purchase in accordance with the Applicable Procedures as in effect from time to time.

SECTION 3.9. Effect of Purchase Notice. Upon receipt by any Paying Agent of a Purchase Notice, the Holder of the Security in respect of which such Purchase Notice was given shall (unless such Purchase Notice is withdrawn as specified below) thereafter be entitled to receive the Purchase Price with respect to such Security. Such Purchase Price shall be paid to such Holder promptly following the later of (a) the Purchase Date with respect to such Security (provided the conditions in Section 3.7(c) or 3.8(c), as

applicable, have been satisfied) and (b) the time of delivery of such Security to a Paying Agent by the Holder thereof. Securities in respect of which a

Purchase Notice has been given by the Holder thereof may not be converted into shares of Common Stock pursuant to Article 5 on or after the date of the delivery of such Purchase Notice unless such Purchase Notice has first been validly withdrawn.

A Purchase Notice may be withdrawn by means of a written notice (which may be delivered by mail, overnight courier, hand delivery, facsimile transmission or in any other written form and, in the case of Global Securities, may be delivered electronically or by other means in accordance with the Depositary's customary procedures) of withdrawal delivered by the Holder to a Paying Agent at any time prior to the close of business on the last Business Day prior to the Purchase Date, specifying the principal amount of the Security or portion thereof (which must be a principal amount of $1,000 or an integral multiple of $1,000 in excess thereof) with respect to which such notice of withdrawal is being submitted and the principal amount, if any, of such Security which remains subject to the initial Purchase Notice.

SECTION 3.10. Deposit of Purchase Price. On or before 10:00 a.m. New York City time on a Purchase Date, the Company shall deposit with the Trustee or with a Paying Agent or, if the Company or an Affiliate of the Company is acting as Paying Agent, the Company or such Affiliate shall segregate and hold in trust, an amount of money (in immediately available funds if deposited on such Purchase Date) sufficient to pay the aggregate Purchase Price of all the Securities or portions thereof that are to be purchased as of such Purchase Date. The manner in which the deposit required by this Section 3.10 is made by the Company shall be at the option of the Company, provided that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Purchase Date.

If a Paying Agent holds, in accordance with the terms hereof, money sufficient to pay the Purchase Price of any Security for which a Purchase Notice has been tendered and not withdrawn in accordance with this Indenture then, on the Purchase Date, such Security will cease to be outstanding and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Purchase Price as aforesaid).

SECTION 3.11. Securities Purchased in Part. Any Security that is to be purchased only in part shall be surrendered at the office of a Paying Agent, and promptly after a Purchase Date the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge, a new Security or Securities, of such authorized denomination or denominations as may be requested by such Holder, in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the Security so surrendered that is not purchased.

SECTION 3.12. Compliance with Securities Laws Upon Purchase of Securities. In connection with any offer to purchase or purchase of Securities under Section 3.7 or 3.8, the Company shall (a) comply with Rule 13e-4 and Rule 14e-1 (or any successor to either such Rule), if applicable, under the Exchange Act, (b) file the related Schedule TO (or any successor or similar schedule, form or report) if required under the Exchange Act, and (c) otherwise comply with all federal and state securities laws in connection with such offer to purchase or purchase of Securities, all so as to permit the rights of the Holders and obligations of the Company under Sections 3.7 through 3.11 to be exercised in the time and in the manner specified therein.

SECTION 3.13. Repayment to the Company. To the extent that the aggregate amount of cash deposited by the Company pursuant to Section 3.10 exceeds the aggregate Purchase Price together including interest, Contingent Interest, if any, and Liquidated Damages, if any, thereon of the Securities or portions thereof that the Company is obligated to purchase, then promptly after the Purchase Date the Trustee or a Paying Agent, as the case may be, shall return any such excess cash to the Company.

ARTICLE 4

CONTINGENT INTEREST

SECTION 4.1. Contingent Interest.

Commencing on November 15, 2010, the Company shall make Contingent Interest payments to the Holders of Securities, as set forth in Section 4.2 below, during any six-month period from May 16 to November 15 and from November 16 to May 15 (each a "Semi-annual Period") if, but only if, the Trading Price of the Securities for each of the five Trading Days immediately preceding the first day of the relevant Semi-annual Period equals or exceeds

120% of the principal amount of the Securities. During any Semi-annual Period when Contingent Interest is payable pursuant to this Section, each Contingent Interest payment due and payable on each $1,000 principal amount of Securities shall equal 0.25% per Semi-annual Period of the average Trading Price of $1,000 principal amount of Securities during the five Trading Days immediately preceding the first day of the applicable Semi-annual Period.

SECTION 4.2. Payment of Contingent Interest; Contingent Interest Rights Preserved.

If payable, Contingent Interest shall be paid on each applicable Interest Payment Date. Contingent Interest payments on any Security that are payable, and are punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person who is the Holder of that Security at the close of business on the preceding interest payment record date.

Upon determination that Holders of Securities will be entitled to receive Contingent Interest during a Semi-annual Period, on or prior to the start of such Semi-annual Period, the Company will issue a press release and publish such information on its website, or otherwise publicly disclose such information.

ARTICLE 5

CONVERSION

SECTION 5.1. Conversion Right. Subject to the further provisions of this Article 5, a Holder of a Security may convert the principal amount of such Security (or any portion thereof equal to $1,000 or any integral multiple of $1,000 in excess thereof) into Common Stock at any time prior to the

close of business on the last Business Day prior to the Final Maturity Date, at the Conversion Rate then in effect; provided, however, that, if such Security is called for redemption pursuant to Article 3, such conversion right shall terminate at the close of business on the last Business Day prior to the Redemption Date for such Security (unless the Company shall default in making the redemption payment when due, in which case the conversion right shall terminate at the close of business on the date such default is cured and such Security is redeemed). The number of shares of Common Stock issuable upon conversion of a Security shall be determined by dividing the principal amount of the Security or portion thereof surrendered for conversion by $1,000, and then multiplying the quotient by the Conversion Rate in effect on the Conversion Date. The initial "Conversion Rate" is 25.0563 shares of Common Stock per $1,000 principal amount of the Securities and is subject to adjustment as provided in this Article 5.

A Holder may convert all or any portion of their Securities into Common Stock only under the following circumstances:

(a) prior to the close of business on the last Business Day prior to the Final Maturity Date during any fiscal quarter, and only during such fiscal quarter (commencing after November 30, 2003), if the Closing Sale Price of the Common Stock on at least 20 Trading Days (whether or not consecutive) in the period of 30 consecutive Trading Days ending on the last Trading Day of such immediately preceding fiscal quarter exceeds 120% of the Conversion Price on the last Trading Day of such immediately preceding fiscal quarter,

(the Company shall determine after the end of each applicable fiscal quarter whether the Securities shall be convertible as a result of the occurrence of an event specified in clause (i) above and, if the Securities shall be so convertible, the Company shall, not later than the fifth Business Day of the subsequent fiscal quarter (beginning with the fiscal quarter commencing March 31, 2004) notify the Conversion Agent and the Trustee thereof that the Securities shall be convertible);

(b) Securities have been called for redemption (and only those Securities that have been called for redemption) by the Company pursuant to a notice of redemption given as provided in Article 3 at any time prior to the close of business on the Business Day immediately preceding the Redemption Date for such Securities (provided that, anything herein to the contrary notwithstanding, in the case of any Security that shall have been called for redemption in part, only the portion of such Security that shall have been called for redemption may be converted);

(c) during any period in which the Company's senior subordinated debt credit rating is below B3 by Moody's Investors Service, Inc. and its successors ("Moody's") and below B- by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc.,

and its successors ("Standard & Poor's") or during any period when neither Moody's or Standard & Poor's rates the Company's senior subordinated debt. If only one of Moody's or Standard & Poor's rates the Company's senior subordinated debt and such credit rating falls below the applicable level specified above, Holders may convert the Securities during the period such debt rating is below such level. The

Securities will cease to be convertible pursuant to this clause (c) during any period or periods in which the credit ratings or rating, as the case may be, are above such levels;

(d) in the event that:

(i) the Company makes a distribution to all holders of its Common Stock of rights or warrants entitling them (for a period expiring within 45 days after the record date for such distribution) to purchase Common Stock at a price per share at less than the Closing Sale Price of the Common Stock on the Trading Day immediately preceding the date of declaration of such distribution; or

(ii) the Company makes a distribution to all holders of its Common Stock of the Company's assets, debt securities or rights to purchase its securities (other than rights referred to clause (i) above), if such distribution has a per share value exceeding 15% of the Closing Sale Price of the Common Stock on the Trading Day immediately preceding the date of declaration of such distribution,

then, in each case, the Company shall give notice to Holders at least 20 Business Days prior to the Ex-Dividend Date for such distribution and, from and after the date of such notice, Holders may convert their Securities at any time until the close of business on the earlier of the Business Day immediately preceding the Ex-Dividend Date and the date on which the Company publicly announces that such distribution will not take place; provided that no Holder may exercise their conversion right pursuant to this clause (d) if the Holder otherwise may participate in the distribution without conversion of the Securities; or

(e) the Company consolidates with or merges into another Person, is a party to a binding share exchange or sells all or substantially all of the assets of the Company, in each case pursuant to which shares of Common Stock would be converted into Cash, securities or other property, then the Holders may convert Securities at any time from and after the date which is 15 days prior to the anticipated effective date of such transaction (as such anticipated date is set forth in a written notice from the Company mailed to Holders) until the close of business on the 15th day after the actual effective date of such transaction (or, if such merger, consolidation or share exchange also constitutes a Designated Event, until the corresponding Designated Event Purchase Date). If such merger, consolidation, binding share exchange or sale of all or substantially all of the assets of the Company occurs, then, from and after the effective time of the transaction, the right to convert Securities into shares of Common Stock will be changed into a right to convert Securities into the kind and amount of Cash, securities or other property which the Holder would have received if the Holder had converted its Securities immediately prior to the effective time of such transaction.

Provisions of this Indenture that apply to conversion of all of a Security also apply to conversion of a portion of a Security.

A Security in respect of which a Holder has delivered a Purchase Notice pursuant to Article 3 exercising the option of such Holder to require the Company to purchase such Security may be converted only if such Purchase Notice is withdrawn by a written notice of withdrawal delivered to a Paying Agent prior to the close of business on the last Business Day prior to the Purchase Date in accordance with Section 3.9.

A Holder of Securities is not entitled to any rights of a holder of Common Stock until such Holder has converted its Securities to Common Stock, and only to the extent such Securities are deemed to have been converted into Common Stock pursuant to this Article 5.

No payment or adjustment shall be made in respect of dividends on the Common Stock or accrued and unpaid interest or Contingent Interest, if any, on a converted Security, except as described in this Article 5. On

conversion of a Security, that portion of accrued and unpaid interest and Contingent Interest, if any, on the converted Security attributable to the period from the most recent Interest Payment Date (or, if no Interest Payment Date has occurred, from the date of this Indenture) through the date of conversion, and Tax Original Issue Discount accrued through the date of conversion with respect to the converted Security shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through delivery of the Common Stock (together with the Cash payment, if any, in lieu of fractional shares), in exchange for the Security being converted pursuant to the provisions hereof, and the fair market value of such shares of Common Stock (together with any such Cash payment in lieu of fractional shares), shall be treated as issued, to the extent thereof, first in exchange for accrued and unpaid interest, Contingent Interest, if any, and Tax Original Issue Discount accrued through the date of conversion and the balance, if any, of such fair market value of such Common Stock (and any such Cash payment) shall be treated as issued in exchange for the principal amount of the Security being converted pursuant to the provisions hereof. Liquidated Damages, if any, will remain payable on the Securities.

The Company agrees, and each Holder and any beneficial owner of a Security by its purchase or acceptance thereof shall be deemed to agree, to treat, for United States federal income tax purposes, the fair market value of the Common Stock received upon the conversion of a Security (together with any Cash payment in lieu of fractional shares) as a contingent payment on the Security for purposes of Treasury Regulation Section 1.1275-4(b).

SECTION 5.2. Conversion Procedure. To convert a Security, a Holder must (a) complete and manually sign the conversion notice on the back of the Security in the form attached hereto in Exhibit A and deliver such notice to a Conversion Agent, (b) if certificated, surrender the Security to a Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by a Registrar or a Conversion Agent, and (d) pay any amounts due pursuant to the third paragraph of this Section 5.2, including funds equal to accrued interest and Contingent Interest, if any, and any transfer or similar tax, if required. The date on which the Holder satisfies all of those requirements is the "Conversion Date." As soon as practicable after the Conversion Date, but no later than the fifth Business Day following the Conversion Date, the Company shall deliver to the Holder through a Conversion Agent a certificate for the number of whole shares of Common Stock issuable upon the conversion and cash in lieu of any fractional shares pursuant to Section 5.3. Anything herein to the contrary notwithstanding, in the case of Global Securities, conversion notices

may be delivered and such Securities may be surrendered for conversion in accordance with the Applicable Procedures as in effect from time to time.

The person in whose name the Common Stock certificate is registered shall be deemed to be a shareholder of record on the Conversion Date; provided, however, that no surrender of a Security on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the person or persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the person or persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; provided, further, that such conversion shall be at the Conversion Rate in effect on the Conversion Date as if the stock transfer books of the Company had not been closed. Upon conversion of a Security, such person shall no longer be a Holder of such Security. No payment or adjustment will be made for dividends or distributions on shares of Common Stock issued upon conversion of a Security.

Securities so surrendered for conversion (in whole or in part) during the period from the close of business on any regular interest payment record date to the opening of business on the next succeeding Interest Payment Date shall also be accompanied by payment in immediately available funds of an amount equal to the interest, including Contingent Interest, if any, payable on such Interest Payment Date on the principal amount of such Security then being converted, and such interest shall be payable to such registered Holder notwithstanding the conversion of such Security, subject to the provisions of this Indenture relating to the payment of defaulted interest by the Company; provided, however, that no such payment by the Holder converting their Securities need be made (a) if the Company sets a Redemption Date that is after a regular interest payment record date but on or prior to the next Interest Payment Date, (b) if the Company has specified a Designated Event Purchase Date following a Designated Event that is after a regular interest payment record date but on or prior to the next Interest Payment Date or (c) to the extent of any overdue interest or overdue Contingent Interest, if any, exists at the time of conversion with respect to such Security. Except as otherwise provided in this Section 5.2, no payment or adjustment will be made for accrued interest, including Contingent Interest, if any, on a converted Security. If the Company defaults in the payment of interest, Contingent Interest, if any, and Liquidated Damages, if any, payable on such Interest Payment Date, the Company shall

promptly repay such funds to such Holder.

Nothing in this Section 5.2 shall affect the right of a Holder in whose name any Security is registered at the close of business on an interest payment record date to receive the interest, Contingent Interest, if any, and Liquidated Damages, if any, payable on such Security on the related Interest Payment Date in accordance with the terms of this Indenture and the Securities. If a Holder converts more than one Security at the same time, the number of shares of Common Stock issuable upon the conversion shall be based on the aggregate principal amount of Securities converted.

As promptly as practicable following the surrender of a Security that is converted in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder, a new Security equal in principal amount to the unconverted portion of the Security surrendered.

SECTION 5.3. Fractional Shares. The Company will not issue fractional shares of Common Stock upon conversion of Securities. In lieu thereof, the Company will pay an amount in cash for the current market value of the fractional shares. The current market value of a fractional share shall be determined (calculated to the nearest 1/1000th of a share) by multiplying the Closing Sale Price of the Common Stock on the Trading Day immediately prior to the Conversion Date by such fractional share and rounding the product to the nearest whole cent.

SECTION 5.4. Taxes on Conversion. If a Holder converts a Security, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon such conversion. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificate representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulation.

SECTION 5.5. Company to Provide Stock. The Company shall at all times use its reasonable best efforts to reserve and keep available, free from preemptive rights, out of its authorized but unissued Common Stock, a sufficient number of shares of Common Stock to permit the conversion of all outstanding Securities into the full number of shares of Common Stock then issuable.

All shares of Common Stock delivered upon conversion of the Securities shall be newly issued shares, shall be duly authorized, validly issued, fully paid and, subject to applicable Wisconsin law, nonassessable and shall be free from preemptive rights and free of any lien or adverse claim and except as provided in Section 5.4, the Company will pay all documentary, stamp or similar issue or transfer taxes, liens and charges with respect to the issue thereof.

The Company will endeavor promptly to comply with all federal and state securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Securities, if any, and will list or cause to have quoted such shares of Common Stock on the New York Stock Exchange or a national securities exchange or other over-the-counter market or such other market on which the Common Stock is then listed or quoted in accordance with the Registration Rights Agreement.

SECTION 5.6. Adjustment of Conversion Rate. The Conversion Rate shall be adjusted from time to time by the Company as follows:

(a) If the Company shall hereafter pay a dividend or make a distribution to all Holders of the outstanding Common Stock in shares of Common Stock, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect at the opening of business on the date following the date fixed for the determination of stockholders entitled to receive such dividend or other distribution by a fraction,

(i) the numerator of which shall be the sum of the number of shares of Common Stock outstanding at the close of business on the date fixed for the determination of stockholders entitled to receive such dividend or other distribution plus the total number of shares of Common Stock constituting such dividend or other distribution; and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination,

such increase to become effective immediately after the opening of business on the day following the date fixed for such determination. If any dividend or distribution of the type described in this Section 5.6(a) is declared but not so paid or made, the Conversion Rate shall be readjusted to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(b) If the Company shall issue rights or warrants to all holders of Common Stock entitling them (for a period expiring within forty-five (45) days after the date fixed for determination of stockholders entitled to receive such rights or warrants) to subscribe for or purchase shares of Common Stock at a price per share less than the average of the Closing Sale Prices of the Common Stock for the 10 Trading Days immediately preceding the declaration date for such distribution, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the date fixed for determination of stockholders entitled to receive such rights or warrants by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding on the date fixed for the determination of stockholders entitled to receive such rights or warrants plus the total number of additional shares of Common Stock offered for subscription or purchase; and

(ii) the denominator of which shall be the sum of the number of shares of Common Stock outstanding at the close of business on the date fixed for the determination of stockholders entitled to receive such rights or warrants plus the number of shares that the aggregate offering price of the total number of shares so offered would purchase at a price equal to the average of the Closing Sale Prices of the Common Stock for the 10 Trading Days preceding the declaration date for such distribution.

Such adjustment shall be successively made whenever any such rights or warrants are issued, and shall become effective immediately after the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such rights or warrants. To the extent that shares of Common Stock are not delivered after the expiration of such rights or warrants, the Conversion Rate shall be readjusted to the Conversion Rate that would then be in effect had the adjustments made upon the issuance of such rights or warrants been made on the basis of delivery of only the number of shares of Common Stock actually delivered, if any. If such rights or warrants are not so issued, the Conversion Rate shall be readjusted to be the Conversion Rate that would then be in effect if such date fixed for the determination of stockholders entitled to receive such rights or warrants had not been fixed. In determining whether any rights or warrants entitle the holders to subscribe for or purchase shares of Common Stock at a price less than the average of the Closing Sale Prices of the

Common Stock for the 10 Trading Days preceding the declaration date for such distribution, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by the Company for such rights or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) If the outstanding shares of Common Stock shall be subdivided into a greater number of shares of Common Stock, the Conversion Rate in effect at the opening of business on the day following the day upon which such subdivision becomes effective shall be proportionately increased, and conversely, in case outstanding shares of Common Stock shall be combined into a smaller number of shares of Common Stock, the Conversion Rate in effect at the opening of business on the day following the day upon which such combination becomes effective shall be proportionately reduced, such increase or reduction, as the case may be, to become effective immediately after the opening of business on the day following the day upon which such subdivision or combination becomes effective.

(d) If the Company shall, by dividend or otherwise, distribute to all holders of its Common Stock cash, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the close of business on such record date by a fraction,

(i) the numerator of which shall be the Current Market Price on such record date; and

(ii) the denominator of which shall be the Current Market Price on such record date less the amount of cash distributed applicable to one share of Common Stock.

such adjustment to be effective immediately prior to the opening of business on

the day following the record date; provided that if the portion of the cash so distributed applicable to one share of Common Stock is equal to or greater than the Current Market Price on the record date, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive upon conversion the amount of cash such holder would have received had such holder converted each Security on the record date. If such dividend or distribution is not so paid or made, the Conversion Rate shall be readjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(e) If the Company shall, by dividend or otherwise, distribute to all holders of its Common Stock shares of any class of Capital Stock of the Company or evidences of its indebtedness or other assets (including securities, but excluding (i) any rights or warrants referred to in Section 5.6(b) and (ii) any dividend or distribution (A) referred to in Section 5.6(d) or (B) referred to in Section 5.6(a)) (any of the foregoing hereinafter in this Indenture called the "Distributed Property"), then, in each such case, the Conversion Rate shall be increased so that the same shall be equal to the rate determined by multiplying the Conversion Rate in effect on the record date with respect to such distribution by a fraction,

(i) the numerator of which shall be the Current Market Price on such record date; and

(ii) the denominator of which shall be the Current Market Price on such record date less the fair market value (as determined by the Board of Directors, whose determination shall be conclusive, and described in a resolution of the Board of Directors) on the record date of the portion of the Distributed Property so distributed applicable to one share of Common Stock,

such adjustment to become effective immediately prior to the opening of business on the day following such record date; provided that if the then fair market value (as so determined) of the portion of the Distributed Property so distributed applicable to one share of Common Stock is equal to or greater than the Current Market Price on the Record Date, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive upon conversion the amount of Distributed Property such holder would have received had such holder converted each Security on the record date. If such dividend or distribution is not so paid or made, the Conversion Rate shall be readjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. If the Board of Directors determines the fair market value of any distribution for purposes of this Section 5.6(e) by reference to the actual or when issued trading market for any securities, it must in doing so consider the prices in such market over the same period used in computing the Current Market Price on the applicable record date.

For purposes of this Section 5.6(e), Section 5.6(a) and Section 5.6(b), any dividend or distribution to which this Section 5.6(e) is applicable that also includes shares of Common Stock, or rights or warrants to subscribe for or purchase shares of Common Stock (or both), shall be deemed instead to be (a) a dividend or distribution of the evidences of indebtedness, assets or shares of capital stock other than such shares of Common Stock or rights or warrants (and any Conversion Rate adjustment required by this Section 5.6(e) with respect to such dividend or distribution shall then be made) immediately followed by (b) a dividend or distribution of such shares of Common Stock or such rights or warrants (and any further Conversion Rate adjustment required by Sections 5.6(a) and 5.6(b) with respect to such dividend or distribution shall then be made), except (i) the record date of such dividend or distribution shall be substituted as "the date fixed for the determination of stockholders entitled to receive such dividend or other distribution", "the date fixed for the determination of stockholders entitled to receive such rights or warrants" and "the date fixed for such determination" within the meaning of Sections 5.6(a) and 5.6(b) and (ii) any shares of Common Stock included in such dividend or distribution shall not be deemed "outstanding at the close of business on the date fixed for such determination" within the meaning of 5.6(a).

If the Company shall, by dividend or otherwise, distribute to all holders of its Common Stock shares of any class of Capital Stock of, or similar equity interests in, a Subsidiary or of a business unit of the Company (the "Subsidiary Distribution"), then, in each such case, the Conversion Rate shall be increased so that the same shall be equal to the rate determined by multiplying the Conversion Rate in effect on the record date with respect to such distribution by a fraction,

(i) the numerator of which shall be the Current Market Price on such record date; and

(ii) the denominator of which shall be the Current Market

Price of the Common Stock on such record date less the fair market value (as determined by the Board of Directors, whose determination shall be conclusive, and described in a resolution of the Board of Directors) on the record date of the portion of the Subsidiary Distribution so distributed applicable to one share of Common Stock,

(f) If a successful tender or exchange offer made by the Company for all or any portion of the Common Stock shall expire and such tender or exchange offer (as amended upon the expiration thereof) shall require the payment to stockholders of consideration per share of Common Stock (other than consideration payable in respect of off-lot offers) having a fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a resolution of the Board of Directors) that as of the last time (the "Expiration Time") tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended) completed within the immediately preceding 12 months exceeds 1.0% of the average of the Closing Sale Prices of the Common Stock on each of the 10 Trading Days immediately prior to the Expiration Time multiplied by the number of shares of Common Stock outstanding on each such Trading Day, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the Expiration Time by a fraction,

(i) the numerator of which shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Expiration Time (the shares deemed so accepted up to any such maximum, being referred to as the "Purchased Shares") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Expiration Time and the Closing Sale Price of a share of Common Stock on the Trading Day immediately succeeding the Expiration Time, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the Expiration Time multiplied by the Closing Sale Price of a share of Common Stock on the Trading Day immediately succeeding the Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Expiration Time. If the Company is obligated to purchase shares pursuant to any such tender or exchange offer, but the Company is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Rate shall be readjusted to be the Conversion Rate that would then be in effect if such tender or exchange offer had not been made.

(g) If a tender or exchange offer is made by a Person (other than the Company) for all or any portion of the Common Stock and, as of the closing date of such offer, the Board of Directors is not recommending rejection

of such offer, and such tender or exchange offer is an amount that increases such offering Person's ownership of the Common Stock to more than 50% of the total shares of Common Stock outstanding and the cash and value of any other consideration included in the payment per share of Common Stock exceeds the Closing Sale Price per share of Common Stock on the Trading Day immediately succeeding the Expiration Time for such tender or exchange offer, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the Expiration Time by a fraction,

(i) the numerator of which shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all Purchased Shares and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Expiration Time and the Closing Sale Price of a share of Common Stock on the Trading Day immediately succeeding the Expiration Time, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the Expiration Time multiplied by the Closing Sale Price of a share of Common Stock on the Trading Day immediately succeeding the Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Expiration Time. The adjustment referred to in this Section 5.6(g) will not be made if as of the closing of the offer, the offering documents disclose a plan or an intention to cause us to engage in a consolidation or merger or a sale of all or substantially all of our assets.

(h) If an exchange offer made by the Company for all or any portion of the Company's Class B Common Stock, if any, into shares of Common Stock is successfully completed within the preceding 12 months where the value of the Common Stock received in such exchange exceeds 1.0% of the average of the Closing Sale Prices of the Common Stock on each of the 10 Trading Days immediately prior to the Expiration Time multiplied by the number of shares of Common Stock outstanding on such Trading Day, the Conversion Rate may be increased if the Board of Directors makes a determination, in its sole discretion, that such an increase is appropriate in light of any adverse effect of such exchange on the conversion rights of the Securityholders.

Except as provided in this Section 5.6(h), the Conversion Rate adjustments described in this Section 5.6 shall not apply to dividends or other distributions to holders of the Company's Class B Common Stock.

(i) The Company may make such increases in the Conversion Rate in addition to those required by Sections 5.6(a), (b), (c), (d), (e), (f), (g) and (h) as the Board of Directors considers to be advisable to avoid or diminish any income tax to holders of Common Stock or rights to purchase Common Stock resulting from any dividend or distribution of stock (or rights to acquire stock) or from any event treated as such for income tax purposes. To the extent permitted by applicable law, the Company from time to time may increase the Conversion Rate by any amount for any period of time if the Board of Directors

shall have made a determination that such increase would be in the best interests of the Company, which determination shall be conclusive. Whenever the Conversion Rate is increased pursuant to the preceding sentence, the Company shall mail to holders of the Securities a notice of the increase prior to the date the increased Conversion Rate takes effect, and such notice shall state the increased Conversion Rate and the period during which it will be in effect.

(j) To the extent that the Company has a rights plan in effect upon conversion of the Securities into Common Stock, Holders will receive, in addition to the Common Stock, the rights under the rights plan unless the rights have separated from the Common Stock at the time of conversion, in which case the Conversion Rate will be adjusted as if the Company distributed to all holders of Common Stock, shares of the Capital Stock of the Company, evidences of indebtedness or assets as described in Section 5.6(e) above, subject to readjustment in the event of the expiration, termination or redemption of such rights.

SECTION 5.7. No Adjustment. No adjustment in the Conversion Rate shall be required unless the adjustment would require an increase or decrease of at least 1% in the Conversion Rate as last adjusted; provided, however, that any adjustments which by reason of this Section 5.7 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Article 5 shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be.

No adjustment need be made for issuances of Common Stock pursuant to a Company plan for reinvestment of dividends or interest or for a change in the par value or a change to no par value of the Common Stock.

SECTION 5.8. Adjustment for Tax Purposes. The Company shall be entitled to make such increases in the Conversion Rate, in addition to those required by Section 5.6, as it in its discretion shall determine to be advisable in order that any stock dividends, subdivisions of shares, distributions of rights to purchase stock or securities or distributions of securities convertible into or exchangeable for stock hereafter made by the Company to its stockholders shall not be taxable.

SECTION 5.9. Notice of Adjustment. Whenever the Conversion Rate or conversion privilege is adjusted, the Company shall promptly mail to Securityholders a notice of the adjustment and file with the Trustee an Officers' Certificate briefly stating the facts requiring the adjustment and the manner of computing it. Unless and until the Trustee shall receive an Officers' Certificate setting forth an adjustment of the Conversion Rate, the Trustee may assume without inquiry that the Conversion Rate has not been adjusted and that the last Conversion Rate of which it has knowledge remains in effect.

SECTION 5.10. Notice of Certain Transactions. In the event that:

(a) the Company takes any action which would require an adjustment in the Conversion Rate;

(b) the Company consolidates or merges with, or transfers all or substantially all of its property and assets to, another corporation

and shareholders of the Company must approve the transaction; or

(c) there is a dissolution or liquidation of the Company,

the Company shall mail to Holders and file with the Trustee a notice stating the proposed record or effective date, as the case may be. The Company shall mail and file the notice at least ten days before such date. Failure to mail such notice or any defect therein shall not affect the validity of any transaction referred to in clause (a), (b) or (c) of this Section 5.10.

SECTION 5.11. Effect of Reclassification, Consolidation, Merger or Sale on Conversion Privilege. If any of the following shall occur, namely: (a) any reclassification or change of shares of Common Stock issuable upon conversion of the Securities (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination, or any other change for which an adjustment is provided in Section 5.6); (b) any consolidation or merger or combination to which the Company is a party other than a merger in which the Company is the continuing corporation and which does not result in any reclassification of, or change (other than in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination) in, outstanding shares of Common Stock; or (c) any sale or conveyance as an entirety or substantially as an entirety of the property and assets of the Company, directly or indirectly, to any person, then the Company, or such successor, purchasing or transferee corporation, as the case may be, shall, as a condition precedent to such reclassification, change, combination, consolidation, merger, sale or conveyance, execute and deliver to the Trustee a supplemental indenture providing that the Holder of each Security then outstanding shall have the right to convert such Security into the kind and amount of shares of stock and other securities and property (including cash) receivable upon such reclassification, change, combination, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock deliverable upon conversion of such Security immediately prior to such reclassification, change, combination, consolidation, merger, sale or conveyance. Such supplemental indenture shall provide for adjustments of the Conversion Rate which shall be as nearly equivalent as may be practicable to the adjustments of the Conversion Rate provided for in this Article 5. If, in the case of any such consolidation, merger, combination, sale or conveyance, the stock or other securities and property (including cash) receivable thereupon by a holder of Common Stock include shares of stock or other securities and property of a person other than the successor, purchasing or transferee corporation, as the case may be, in such consolidation, merger, combination, sale or conveyance, then such supplemental indenture shall also be executed by such other person and shall contain such additional provisions to protect the interests of the Holders of the Securities as the Board of Directors shall reasonably consider necessary by reason of the foregoing. The provisions of this Section 5.11 shall similarly apply to successive reclassifications, changes, combinations, consolidations, mergers, sales or conveyances.

In the event the Company shall execute a supplemental indenture pursuant to this Section 5.11, the Company shall promptly file with the Trustee (x) an Officers' Certificate briefly stating the reasons therefor, the kind or amount of shares of stock or other securities or property (including cash) receivable by Holders of the Securities upon the conversion of their

Securities after any such reclassification, change, combination, consolidation, merger, sale or conveyance, any adjustment to be made with respect thereto and that all conditions precedent have been complied with and (y) an Opinion of Counsel that all conditions precedent have been complied with, and shall promptly mail notice thereof to all Holders.

SECTION 5.12. Trustee's Disclaimer. The Trustee shall have no duty to determine when an adjustment under this Article 5 should be made, how it should be made or what such adjustment should be, but may accept as conclusive evidence of that fact or the correctness of any such adjustment, and shall be protected in conclusively relying upon, an Officers' Certificate including the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 5.9. The Trustee makes no representation as to the validity or value of any securities or assets issued upon conversion of Securities, and the Trustee shall not be responsible for the Company's failure to comply with any provisions of this Article 5.

The Trustee shall not be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture executed pursuant to Section 5.11, but may accept as conclusive evidence of the correctness thereof, and shall be fully protected in relying upon, the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 5.11.

SECTION 5.13. Voluntary Increase. The Company from time to time may increase the Conversion Rate by any amount for any period of time if the period is at least 20 days and if the increase is irrevocable during the

period if our Board of Directors determines that such increase would be in the best interest of the Company or to avoid or diminish income tax to holders of shares of our Common Stock in connection with a dividend or distribution of stock or similar event, and the Company provides 20 days prior notice of any increase in the Conversion Rate.

ARTICLE 6

SUBORDINATION OF THE SECURITIES

SECTION 6.1. Agreement to Subordinate.

The Company agrees, and each Holder by accepting a Security agrees, that the Indebtedness evidenced by the Securities including principal, interest, Contingent Interest, if any, and Liquidated Damages, if any, is subordinated in right of payment, to the extent and in the manner provided in this Article 6, to the prior payment in full in cash of all Senior Indebtedness of the Company and that the subordination is for the benefit of and enforceable by the holders of such Senior Indebtedness. The Securities shall in all respects rank pari passu in right of payment with all other Senior Subordinated Indebtedness of the Company, including the 13% Notes, and only Indebtedness which is Senior Indebtedness shall rank senior in right of payment to the Securities in accordance with the provisions set forth herein.

SECTION 6.2. Liquidation, Dissolution, Bankruptcy.

Upon any payment or distribution of the assets of the Company to creditors upon a total or partial liquidation or a total or partial dissolution of the Company or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or its property:

(a) holders of Senior Indebtedness of the Company shall be entitled to receive payment in full in cash of such Senior Indebtedness of the Company before Holders shall be entitled to receive any payment of principal of or interest, Contingent Interest, if any, or Liquidated Damages, if any, on the Securities; and

(b) until such Senior Indebtedness of the Company is paid in full in cash, any payment or distribution to which Holders would be entitled but for this Article 6 shall be made to holders of such Senior Indebtedness as their interests may appear; and

(c) if a distribution is made to Holders that, due to the subordination provisions, should not have been made to them, such Holders are required to hold it in trust for the holders of Senior Indebtedness and pay it over to them as their interests may appear.

SECTION 6.3. Default on Senior Indebtedness.

The Company may not pay the principal of, premium (if any) or interest, Contingent Interest, if any, or Liquidated Damages, if any, on the Securities or make any deposit pursuant to Section 11.1 and may not repurchase, redeem or otherwise retire any Securities (collectively, "pay the Securities") if (a) any Designated Senior Indebtedness of the Company is not paid in full in cash when due or (b) any other default on Designated Senior Indebtedness of the Company occurs and the maturity of such Designated Senior Indebtedness is accelerated in accordance with its terms unless, in either case, (i) the default has been cured or waived and any such acceleration has been rescinded or (ii) such Designated Senior Indebtedness has been paid in full in cash; provided, however, that the Company may pay the Securities without regard to the foregoing if the Company and the Trustee receive written notice approving such payment from the Representative of such Designated Senior Indebtedness. During the continuance of any default (other than a default described in clause (a) or (b) of the preceding sentence) with respect to any Designated Senior Indebtedness of the Company pursuant to which the maturity thereof may be accelerated either immediately without further notice (except such notice as may be required to effect such acceleration) or after the expiration of any applicable grace periods, the Company may not pay the Securities for a period (a "Payment Blockage Period") commencing upon the receipt by the Trustee (with a copy to the Company) of written notice (a "Blockage Notice") of such default from the Representative of the holders of such Designated Senior Indebtedness of the Company specifying an election to effect a Payment Blockage Period and ending 179 days thereafter (or earlier if such Payment Blockage Period is terminated (A) by written notice to the Trustee and the Company from the Person or Persons who gave such Blockage Notice, (B) because the default giving rise to such Blockage Notice is cured, waived or no longer continuing or (C) because such Designated Senior Indebtedness has been discharged or paid in full in cash). Notwithstanding the provisions described in the immediately preceding sentence (but subject to the provisions contained in the first sentence of this Section 6.3), unless the holders of such Designated Senior Indebtedness of the Company or the Representative of such holders have accelerated the maturity of such Designated Senior Indebtedness of the Company, the Company may resume payments

on the Securities after the end of such Payment Blockage Period. The Securities shall not be subject to more than one Payment Blockage Period in any consecutive 360-day period, irrespective of the number of defaults with respect to Designated Senior Indebtedness of the Company during such period. No default or event of default which existed or was continuing on the date of the commencement of any Payment Blockage Period with respect to the Designated Senior Indebtedness of the Company initiating such Payment Blockage Period (whether or not such default is on the same issue of Designated Senior Indebtedness) shall be, or be made, the basis of the commencement of a subsequent Payment Blockage Period by the Representative of such Designated Senior Indebtedness of the Company, whether or not within a period of 360 consecutive days, unless such default or event of default shall have been cured or waived in writing for a period of not less than 90 consecutive days subsequent to commencement of such initial Payment Blockage Period.

SECTION 6.4. Acceleration of Payment of Securities.

If payment of the Securities is accelerated because of an Event of Default, the Company or the Trustee shall promptly notify the holders of the Designated Senior Indebtedness of the Company (or their Representatives) of the acceleration. The Trustee shall give notice of such acceleration, of which it has actual knowledge, to all holders of Designated Senior Indebtedness of the Company. Prior to the Trustee's giving such notice, the Company shall notify the Trustee of the name and address of any such holder of Designated Senior Indebtedness of the Company.

SECTION 6.5. When Distribution Must Be Paid Over.

If a distribution is made to Holders that because of this Article 6 should not have been made to them, such Holders who receive the distribution shall hold it in trust for holders of Senior Indebtedness of the Company and pay it over to them as their interests may appear and the Trustee shall not be liable to any holders of Senior Indebtedness of the Company with respect thereto. With respect to the holders of Senior Indebtedness of the Company, the Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in this Article 6 and no implied covenants or obligations with respect to holders of Senior Indebtedness of the Company shall be read into this Indenture against the Trustee.

SECTION 6.6. Subrogation.

After all Senior Indebtedness of the Company is paid in full in cash and until the Securities are paid in full, Holders shall be subrogated to the rights of holders of such Senior Indebtedness to receive distributions applicable to such Senior Indebtedness. A distribution made under this Article 6 to holders of such Senior Indebtedness of the Company which otherwise would have been made to Holders is not, as between the Company and such Holders, a payment by the Company on such Senior Indebtedness of the Company.

SECTION 6.7. Relative Rights.

This Article 6 defines the relative rights of Holders and holders of Senior Indebtedness of the Company. Nothing in this Indenture shall:

(i) impair, as between the Company and any Holder, the obligation of the Company, which is absolute and unconditional, to pay principal of and interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Securities in accordance with their terms; or

(ii) prevent the Trustee or any Holder from exercising its available remedies upon a Default, subject to the rights of holders of Senior Indebtedness of the Company to receive distributions otherwise payable to Holders.

SECTION 6.8. Subrogation May Not Be Impaired By The Company.

No right of any holder of Senior Indebtedness of the Company to enforce the subordination of the Indebtedness evidenced by the Securities shall be impaired by any act or failure to act by the Company or by their failure to comply with this Indenture.

SECTION 6.9. Rights of Trustee and Paying Agent.

Notwithstanding Section 6.3, the Trustee or Paying Agent may continue to make payments on the Securities and shall not be charged with knowledge of the existence of facts that would prohibit the making of any such payments unless, not less than two Business Days prior to the date of such payment, a Trust Officer of the Trustee receives notice satisfactory to it that

payments may not be made under this Article 6. The Company, the Registrar or co-registrar, the Paying Agent, a Representative or a holder of Senior Indebtedness of the Company may give the notice; provided, however, that, if an issue of Senior Indebtedness of the Company has a Representative, only the Representative may give the notice.

The Trustee in its individual or any other capacity may hold Senior Indebtedness of the Company with the same rights it would have if it were not Trustee. The Registrar and co-registrar and the Paying Agent may do the same with like rights. The Trustee shall be entitled to all the rights set forth in this Article 6 with respect to any Senior Indebtedness of the Company which may at any time be held by it, to the same extent as any other holder of such Senior Indebtedness; and nothing in Article 10 shall deprive the Trustee of any of its rights as such holder. Nothing in this Article 6 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 10.7.

SECTION 6.10. Distribution or Notice to Representative.

Whenever a distribution is to be made or a notice given to holders of Senior Indebtedness of the Company, the distribution may be made and the notice given to their Representative (if any).

SECTION 6.11. Article 6 Not To Prevent Events of Default or Limit Right To Accelerate

The failure to make a payment pursuant to the Securities by reason of any provision in this Article 6 shall not be construed as preventing the occurrence of a Default. Nothing in this Article 6 shall have any effect on the right of the Holders or the Trustee to accelerate the maturity of the Securities.

The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness of the Company and shall not be liable to any such holders if it shall in good faith mistakenly pay over or distribute to Holders or to the Company or to any other Person cash, property or securities to which any holders of Senior Indebtedness of the Company shall be entitled by virtue of this Article 6 or otherwise.

SECTION 6.12. Trustee Entitled To Rely.

Upon any payment or distribution pursuant to this Article 6, the Trustee and the Holders shall be entitled to rely (a) upon any order or decree of a court of competent jurisdiction in which any proceedings of the nature referred to in Section 6.2 are pending, (b) upon a certificate of the liquidating trustee or agent or other Person making such payment or distribution to the Trustee or to the Holders or (c) upon the Representatives for the holders of Senior Indebtedness for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of such Senior Indebtedness and other Indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article 6. In the event that the Trustee determines, in good faith, that evidence is required with respect to the right of any Person as a holder of Senior Indebtedness of the Company to participate in any payment or distribution pursuant to this Article 6, the Trustee may request such Person to furnish evidence to the satisfaction of the Trustee as to the amount of such Senior Indebtedness of the Company held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and other facts pertinent to the rights of such Person under this Article 6, and, if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment. The provisions of Sections 10.1 and 10.2 shall be applicable to all actions or omissions of actions by the Trustee pursuant to this Article 6.

SECTION 6.13. Trustee To Effectuate Subordination.

Each Holder by accepting a Security authorizes and directs the Trustee on his or its behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination between the Holders and the holders of Senior Indebtedness of the Company as provided in this Article 6 and appoints the Trustee as attorney-in-fact for any and all such purposes.

SECTION 6.14. Trustee Not Fiduciary for Holders of Senior Indebtedness.

The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness of the Company and shall not be liable to any such holders of Senior Indebtedness if it shall mistakenly pay over or distribute to Holders or the Company or any other Person, money or assets to which any holders of Senior Indebtedness of the Company shall be entitled by virtue of this Article 6 or otherwise.

SECTION 6.15. Reliance by Holders of Senior Indebtedness on Subordination.

Each Holder by accepting a Security acknowledges and agrees that the foregoing subordination provisions are, and are intended to be, an inducement and a consideration to each holder of any Senior Indebtedness of the Company whether such Senior Indebtedness was created or acquired before or after

the issuance of the Securities, to acquire and continue to hold, or to continue to hold, such Senior Indebtedness and such holder of such Senior Indebtedness shall be deemed conclusively to have relied on such subordination provisions in acquiring and continuing to hold, or in continuing to hold, such Senior Indebtedness.

ARTICLE 7

COVENANTS

SECTION 7.1. Payment of Securities. The Company shall promptly make all payments in respect of the Securities on the dates and in the manner provided in the Securities and this Indenture. A payment of principal or interest, Contingent Interest, if any, or Liquidated Damages, if any, Redemption Price or Purchase Price shall be considered paid on the date it is due if the Paying Agent holds or, in the case of the Company or an Affiliate of the Company acting as Paying Agent, the Company or an Affiliate of the Company has set aside and segregated in trust, by 10:00 a.m. New York City time on that date, money deposited by the Company or an Affiliate thereof, sufficient to pay the installment. The Company shall, (in immediately available funds) to the fullest extent permitted by law, pay interest on overdue principal (including premium, if any) and overdue installments of interest, Contingent Interest, if any, and Liquidated Damages, if any, at the rate borne by the Securities per annum.

At the option of the Company, interest on the Securities may be paid by mailing a check to the address of the Holder entitled thereto as such address shall appear in the Security Register; provided that, Holders with an aggregate principal amount of Securities in excess of $10 million may elect in writing to be paid by wire transfer in immediately available funds. Payments on Securities represented by a Global Security will be made to the Depositary by wire transfer of immediately available funds to the account of the Depositary or its nominee.

SECTION 7.2. Maintenance of Office or Agency. The Company will maintain in the Borough of Manhattan, the City of New York, an office or agency of the Trustee, Registrar, Paying Agent and Conversion Agent where Securities may be presented or surrendered for payment, where Securities may be surrendered for registration of transfer, exchange, purchase, redemption or conversion and where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served. The office of the Trustee, located at 100 Wall Street, Suite 1600, New York, New York 10005, Attention: Corporate Trust Administration, shall initially be such office or agency for all of the aforesaid purposes. The Company shall give prompt written notice to the Trustee of the location, and of any change in the location, of any such office or agency (other than a change in the location of the office of the Trustee). If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the address of the Trustee set forth in Section 15.2.

The Company may also from time to time designate one or more other offices or agencies where the Securities may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in

any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, for such purposes.

SECTION 7.3. SEC Reports and Other Reports. (a) The Company shall file all reports and other information and documents which it is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act, and within 15 days after it files them with the SEC, the Company shall file copies of all such reports, information and other documents with the Trustee. The Company shall comply with the provisions of TIA Section 314(a).

(b) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is

entitled to rely exclusively on Officers' Certificates).

SECTION 7.4. Compliance Certificates. The Company shall deliver to the Trustee, within 120 days after the end of each fiscal year of the Company (beginning with the fiscal year ending December 31, 2003), an Officers' Certificate as to such Officers' knowledge of the Company's and each Guarantor's compliance with all conditions and covenants on its part contained in this Indenture and stating whether or not the signer knows of any Default or Event of Default. If such signer knows of such a Default or Event of Default, the Officers' Certificate shall describe the Default or Event of Default and the efforts to remedy the same. For the purposes of this Section 7.4, compliance shall be determined without regard to any grace period or requirement of notice provided pursuant to the terms of this Indenture.

SECTION 7.5. Further Instruments and Acts. Upon request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

SECTION 7.6. Maintenance of Corporate Existence. Subject to Article 8, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence.

SECTION 7.7. Rule 144A Information Requirement. Within the period prior to the expiration of the holding period applicable to sales thereof under Rule 144(k) under the Securities Act (or any successor provision), the Company covenants and agrees that it shall, during any period in which it is not subject to Section 13 or 15(d) under the Exchange Act, upon the request of any Holder or beneficial holder of the Securities make available to such Holder or beneficial holder of Securities or any Common Stock issued upon conversion thereof which continue to be Restricted Securities in connection with any sale thereof and any prospective purchaser of Securities or such Common Stock designated by such Holder or beneficial holder, the information required pursuant to Rule 144A(d)(4) under the Securities Act, all to the extent required from time to time to enable such Holder or beneficial holder to sell its Securities or Common Stock without registration under the Securities Act within the limitation of the exemption provided by Rule 144A, as such Rule may be amended from time to time. Upon the request of any Holder or any beneficial

holder of the Securities or such Common Stock, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements.

SECTION 7.8. Stay, Extension and Usury Laws. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the principal of, premium, if any, or interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Securities as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Indenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

SECTION 7.9. Payment of Liquidated Damages. If Liquidated Damages is payable by the Company and the Guarantors pursuant to the Registration Rights Agreement, the Company shall deliver to the Trustee an Officers' Certificate to that effect stating (a) the amount of such Liquidated Damages that is payable and (b) the date on which such Liquidated Damages is payable. Unless and until a Trust Officer of the Trustee receives such a certificate, the Trustee may assume without inquiry that no such Liquidated Damages is payable. If the Company or any Guarantor has paid Liquidated Damages directly to the Persons entitled to it, the Company shall deliver to the Trustee a certificate setting forth the particulars of such payment. The Trustee shall not at any time be under any duty or responsibility to any Holder to determine the Liquidated Damages, or with respect to the nature, extent or calculation of the amount of Liquidated Damages when made, or with respect to the method employed in such calculation of the Liquidated Damages.

SECTION 7.10. Future Subsidiary Guarantors.

If any of the Subsidiaries of the Company provides (a) a guarantee under the 13% Notes or (b) if the Company issues Senior Subordinated Indebtedness or Subordinated Obligations and such Senior Subordinated Indebtedness or Subordinated Obligations is guaranteed by any of the Subsidiaries of the Company, then such Subsidiary shall (i) by a supplemental indenture executed and delivered to the Trustee, in form satisfactory to the Trustee, unconditionally guarantee on a senior subordinated basis all of the Company's obligations under the Securities and this Indenture; and (ii) deliver to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating

that such supplemental indenture complies with this Indenture. Thereafter, such Subsidiary shall be a Guarantor for all purposes of this Indenture. Without limitation to the foregoing and notwithstanding any other provision of this Indenture, each of the Subsidiaries of the Company which at any time guarantees the 13% Notes shall, so long as it remains a guarantor of the 13% Notes, also guarantee the Securities on a senior subordinated basis pursuant to this Indenture and a Subsidiary Guarantee.

SECTION 7.11. Prohibition on Incurrence of Certain Senior Subordinated Debt.

Neither the Company nor any Guarantor will incur or suffer to exist Indebtedness that is senior in right of payment to the Securities or such Guarantor's Subsidiary Guarantee and subordinate in right of payment to any other Indebtedness of the Company or such Subsidiary Guarantor, as the case may be.

ARTICLE 8

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

SECTION 8.1. Company May Consolidate, Etc., Only on Certain Terms. The Company shall not consolidate with or merge into any other Person or sell, convey, transfer or lease its properties and assets as an entirety or substantially as an entirety to any Person, unless:

(a) (i) the Company shall be the surviving corporation or (ii) the Person (if other than the Company) formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company substantially as an entirety (A) shall be a corporation organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and (B) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of and any premium and interest, Contingent Interest, if any, and Liquidated Damages, on all the Securities and the performance or observance of every covenant of this Indenture and the Registration Rights Agreement on the part of the Company to be performed or observed and the conversion rights shall be provided for in accordance with Article 5, by supplemental indenture satisfactory in form to the Trustee, executed and delivered to the Trustee, by the Person (if other than the Company) formed by such consolidation or into which the Company shall have been merged or by the Person which shall have acquired the Company's assets;

(b) immediately after giving effect to such transaction, no Default or Event of Default, shall have happened and be continuing; and

(c) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, sale, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with this Article 8 and that all conditions precedent herein provided for relating to such transaction have been complied with and the supplemental indenture constitutes a legal, valid and binding obligation of such successor person, subject to bankruptcy, insolvency and similar proceedings and general equitable principles.

SECTION 8.2. Successor Substituted. Upon any consolidation of the Company with, or merger of the Company into, any other Person or any conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety in accordance with Section 8.1, the successor Person formed by such consolidation or into which the Company is merged or to

which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture, the Registration Rights Agreement and the Securities.

ARTICLE 9

DEFAULT AND REMEDIES

SECTION 9.1. Events of Default. Each of the following is an "Event of Default":

(a) default in the payment of principal of any Security when due at its Stated Maturity, upon redemption, upon purchase at the option of the Holder, whether pursuant to Section 3.7 or 3.8, or otherwise;

(b) a default in the payment of interest, including Contingent Interest, if any, on the Securities when due, continued for 30 days,

(c) the failure by the Company to comply with its obligations under Article 5, unless such failure is cured within ten days after written notice of such failure is given to the Company by the Trustee or the Holder of the Security which has not been converted;

(d) Indebtedness of the Company, any Guarantor or any Significant Subsidiary (other than Indebtedness owed to the Company or any Subsidiaries) is not paid within any applicable grace period after final maturity or is accelerated by the holders thereof because of a default under the terms therein and the total amount of such Indebtedness unpaid or accelerated exceeds $7.5 million (or the equivalent thereof in any other currency or currencies) (the "cross-acceleration provision");

(e) the failure by the Company to comply with its obligations under Section 8.1;

(f) the failure by the Company to comply for 30 days after notice with any of its obligations under Section 3.8 (other than a failure to purchase Securities);

(g) the failure by the Company or any Guarantor to comply for 60 days after written notice with their other agreements contained in this Indenture;

(h) any judgment or decree for the payment of money in excess of $7.5 million (excluding judgments to the extent covered by insurance by one or more reputable insurers and as to which such insurers have acknowledged coverage for) is entered against the Company, any Guarantor or any Significant Subsidiary, remains outstanding for a period of 60 days following entry of such judgment and is not discharged, bonded, waived or stayed within 30 days after written notice (the "judgment default provision"); or

(i) a Subsidiary Guarantee of a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Subsidiary Guarantee) or is declared to be null and void and unenforceable or the Subsidiary Guarantee of a Significant Subsidiary is found to be invalid or a Guarantor that is a Significant Subsidiary denies its liability under its Subsidiary Guarantee (other than by reason of release of the Guarantor in accordance with the terms of this Indenture); provided, however, that an Event of Default will also be deemed to occur with respect to Subsidiaries that are not Significant Subsidiaries ("Insignificant Subsidiaries") if the Subsidiary Guarantees of such Insignificant Subsidiaries cease to be in full force and effect (other than in accordance with the terms of such Subsidiary Guarantee) or are declared null and void and unenforceable or the Subsidiary Guarantees of such Insignificant Subsidiaries are found to be invalid or such Insignificant Subsidiaries deny their liability under their Subsidiary Guarantees (other than by reason of release of the Guarantor in accordance with the terms of this Indenture), if when aggregated and taken as a whole the Insignificant Subsidiaries subject to this clause (i) would meet the definition of a Significant Subsidiary.

(j) the Company, any Guarantor or any Significant Subsidiary of the Company (A) commences a voluntary case or proceeding under any Bankruptcy Law with respect to itself, (B) consents to the entry of a judgment, decree or order for relief against it in an involuntary case or proceeding under any Bankruptcy Law, (C) consents to the appointment of a Custodian of it or for substantially all of its property, or (D) makes a general assignment for the benefit of its creditors;

(k) a court of competent jurisdiction enters a judgment, decree or order for relief in respect of the Company, any Guarantor or any Significant Subsidiary of the Company in an involuntary case or proceeding under any Bankruptcy Law, which shall (A) order reorganization, arrangement, adjustment or composition in respect of the Company, any Guarantor or any such Significant Subsidiary, (B) appoint a Custodian of the Company, any Guarantor or any such Significant Subsidiary or for substantially all of its property or (C) order the winding-up or liquidation of its affairs; and such judgment, decree or order shall remain unstayed and in effect for a period of 60 consecutive days;

However, a default under clause (g) will not constitute an Event of Default until the Trustee or the Holders of at least 25% in principal amount of the outstanding Securities notify the Company in writing of the default and the Company does not cure such default within the time specified after receipt of such notice. The notice given pursuant to this Section 8.1 must

specify the default, demand that it be remedied and state that the notice is a "Notice of Default." When any default under this Section 8.1 is cured, it ceases.

The Company shall deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any Event of Default under clause (d) or (i) and any event which with the giving of notice or the lapse of time would become an Event of Default under clause (g), its status and what action the Company is taking or proposes to take with respect thereto.

The term "Bankruptcy Law" means Title 11 of the United States Code (or any successor thereto) or any similar federal or state law for the relief of debtors. The term "Custodian" means any receiver, trustee, assignee, liquidator, sequestrator or similar official under any Bankruptcy Law.

The Trustee shall not be charged with knowledge of any Event of Default unless written notice thereof shall have been given to a Trust Officer at the Corporate Trust office of the Trustee by the Company, a Paying Agent, any Holder or any agent of any Holder.

SECTION 9.2. Acceleration. If an Event of Default (other than an Event of Default specified in clause (j) or (k) of Section 9.1) occurs and is continuing, the Trustee may, by notice to the Company, or the Holders of at least 25% in aggregate principal amount of the Securities then outstanding may, by notice to the Company and the Trustee, declare all unpaid principal and accrued and unpaid interest, Contingent Interest, if any, and Liquidated Damages, if any, to the date of acceleration on the Securities then outstanding (if not then due and payable) to be due and payable upon any such declaration, and the same shall become and be immediately due and payable. If an Event of Default specified in clause (j) or (k) of Section 9.1 occurs, all unpaid principal of the Securities then outstanding and accrued and unpaid interest, Contingent Interest, if any, and Liquidated Damages, if any, shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. The Holders of a majority in aggregate principal amount of the Securities then outstanding by notice to the Trustee may rescind, on behalf of all Holders, an acceleration and its consequences if (a) all existing Events of Default, other than the nonpayment of the principal, interest, Contingent Interest, if any, and Liquidated Damages, if any, which has become due solely by such declaration of acceleration, have been cured or waived; (b) to the extent the payment of such interest is lawful, interest (calculated at the rate of 1% per annum above the then applicable rate borne by the Securities) on overdue installments of interest, Contingent Interest, if any, and Liquidated Damages, if any, and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid; (c) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction; and (d) all payments due to the Trustee and any predecessor Trustee under Section 10.7 have been made. No such rescission shall affect any subsequent default or impair any right consequent thereto.

SECTION 9.3. Other Remedies. If an Event of Default occurs and is continuing, the Trustee may, but shall not be obligated to, pursue any available remedy by proceeding at law or in equity to collect the payment of the principal of or interest, Contingent Interest, if any, or Liquidated Damages, if any, on the Securities or to enforce the performance of any provision of the Securities or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Securities or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Securityholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative to the extent permitted by law.

SECTION 9.4. Waiver of Defaults and Events of Default. The Holders of a majority in aggregate principal amount of the Securities then outstanding by notice to the Trustee may waive an existing Default or Event of Default and its consequence, except a Default or Event of Default in the payment of the principal of, premium, if any, or interest, Contingent Interest, if any, or Liquidated Damages, if any, on any Security, a failure by the Company to convert any Securities into Common Stock or any default or Event of Default in respect of any provision of this Indenture or the Securities which, under

Section 12.2, cannot be modified or amended without the consent of the Holder of each Security affected. When a default or Event of Default is waived, it is cured and ceases, but no such waiver shall extend to any subsequent or other Default or impair any consequent right. This Section 9.4 shall be in lieu of the TIA Section 316(a)1(A) and Section 316(a) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 9.5. Control by Majority. The Holders of a majority in aggregate principal amount of the Securities then outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture, that the Trustee determines may be unduly prejudicial to the rights of another Holder or the Trustee, or that may involve the Trustee in personal liability unless the Trustee is offered indemnity satisfactory to it; provided, however, that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction. This Section 9.5 shall be in lieu of the TIA Section 316(a)1(B) and Section 316(a)1(B) is hereby expressly excluded from this Indenture as permitted by the TIA.

SECTION 9.6. Limitations on Suits. A Holder may not pursue any remedy with respect to this Indenture or the Securities (except actions for payment of overdue principal or interest, Contingent Interest, if any, or Liquidated Damages, if any, or for the conversion of the Securities pursuant to Article 5) unless:

(a) the Holder gives to the Trustee written notice of a continuing Event of Default;

(b) the Holders of at least 25% in aggregate principal amount of the then outstanding Securities make a written request to the Trustee to pursue the remedy;

(c) such Holder or Holders offer to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense;

(d) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and

(e) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in aggregate principal amount of the Securities then outstanding.

A Securityholder may not use this Indenture to prejudice the rights of another Securityholder or to obtain a preference or priority over such other Securityholder.

SECTION 9.7. Rights of Holders to Receive Payment and to Convert. Notwithstanding any other provision of this Indenture, the right of any Holder of a Security to receive payment of the principal of and interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Security, on or after the respective due dates expressed in the Security and this Indenture, to convert such Security in accordance with Article 5 and to bring suit for the enforcement of any such payment on or after such respective dates or the right

to convert, is absolute and unconditional and shall not be impaired or affected without the consent of the Holder.

SECTION 9.8. Collection Suit by Trustee. If an Event of Default in the payment of principal or interest, Contingent Interest, if any, and Liquidated Damages, if any, specified in clause (a) or (b) of Section 9.1 occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company, any Guarantor or another obligor on the Securities for the whole amount of principal and accrued interest, Contingent Interest, if any, and Liquidated Damages, if any, remaining unpaid, together with, to the extent that payment of such interest is lawful, interest on overdue principal and on overdue installments of interest, in each case at the rate per annum borne by the Securities and such further amount as shall be sufficient to cover the costs and expenses of collection, including the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel provided in Section 10.7.

SECTION 9.9. Trustee May File Proofs of Claim. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company or any Guarantor (or any other obligor on the Securities), its creditors or its property and shall be entitled and empowered to collect and receive any money or other property payable or deliverable on any such claims and to distribute the same, and any Custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 10.7, and to the extent that such payment of the

reasonable compensation, expenses, disbursements and advances in any such proceedings shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other property which the Holders may be entitled to receive in such proceedings, whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to, or, on behalf of any Holder, to authorize, accept or adopt any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 9.10. Priorities. If the Trustee collects any money pursuant to this Article 9, it shall pay out the money in the following order:

First, to the Trustee for amounts due under Section 10.7;

Second, to the holders of Senior Indebtedness of the Company and, if such money or property has been collected from a Guarantor, to holders of Senior Indebtedness of such Guarantor;

Third, to Holders for amounts due and unpaid on the Securities for principal and interest, Contingent Interest, if any, and Liquidated Damages, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Securities for principal and interest, Contingent Interest, if any, and Liquidated Damages, if any, respectively; and

Fourth, the balance, if any, to the Company.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 9.10. At least 15 days before such record date fixed by the Trustee, the Trustee shall mail to each Securityholder, the Company and any Guarantor from whom the Trustee collected any money pursuant to this Article 9 a notice that states the record date, the payment date and the amount to be paid.

SECTION 9.11. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 9.11 does not apply to a suit made by the Trustee, a suit by a Holder pursuant to Section 9.6, or a suit by Holders of more than 10% in aggregate principal amount of the Securities then outstanding. This Section 9.11 shall be in lieu of Section 3.15(e) of the TIA and Section 3.15(e) of the TIA is expressly excluded from this Indenture, as permitted by the TIA.

ARTICLE 10

TRUSTEE

SECTION 10.1. Duties of Trustee. (a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) Except during the continuance of an Event of Default:

(i) the Trustee need perform only those duties as are specifically set forth in this Indenture and no others; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. The Trustee, however, shall examine any certificates and opinions which by any provision hereof are specifically required to be delivered to the Trustee to determine whether or not they conform to the requirements of this Indenture, but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein.

This Section 10.1(b) shall be in lieu of Section 3.15(a) of the TIA and such Section 315(a) is to expressly excluded from this Indenture, as

permitted by the TIA.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of subsection (b) of this Section 10.1;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 9.5.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to subsections (a), (b) and (c) of this Section 10.1.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers unless the Trustee shall have received adequate indemnity in its opinion against potential costs and liabilities incurred by it relating thereto.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

SECTION 10.2. Rights of Trustee. Subject to its duties and responsibilities under Section 9.1 and, except as expressly excluded from this Indenture, subject also to the duties and responsibilities under the TIA:

(a) The Trustee may rely conclusively on and shall be protected in acting or refraining from acting upon any document believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel, which shall conform to Section 15.4(b). The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion.

(c) The Trustee may act through its agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers. (e) The Trustee may consult with counsel of its selection, and the advice or opinion of such counsel as to matters of law shall be full and complete authorization and protection in respect of any such action taken, omitted or suffered by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(f) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(g) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company or any Guarantor, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such

inquiry or investigation.

(h) Except with respect to Section 7.1, the Trustee shall have no duty to inquire as to the performance of the Company with respect to the covenants contained in Article 7. In addition, the Trustee shall not be deemed to have knowledge of an Event of Default except (i) any Default or Event of Default occurring pursuant to Sections 7.1, 9.1(a) or 9.1(b) or (ii) any Default or Event of Default of which the Trustee shall have received written notification or obtained actual knowledge.

(i) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder; and

(j) the Trustee may request that the Company deliver an Officers' Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any person authorized to sign an Officers' Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

(k) Delivery of reports, information and documents to the Trustee under Section 7.3 is for informational purposes only and the Trustee's receipt of the foregoing shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with

any of their covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

SECTION 10.3. Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or an Affiliate of the Company with the same rights it would have if it were not Trustee. Any Agent may do the same with like rights. However, the Trustee is subject to Sections 10.10 and 10.11.

SECTION 10.4. Trustee's Disclaimer. The Trustee makes no representation as to the validity or adequacy of this Indenture or the Securities, it shall not be accountable for the Company's use of the proceeds from the Securities, and it shall not be responsible for any statement in the Securities other than its certificate of authentication.

SECTION 10.5. Notice of Default or Events of Default. If a default or an Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee shall mail to each Securityholder notice of the Default or Event of Default within 90 days after it occurs or, if later, within 15 days after it is known to the Trustee, unless such Default shall have been cured or waived before giving of such notice. However, the Trustee may withhold the notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is in the interests of Securityholders, except in the case of a Default or an Event of Default in payment of the principal of or interest, Contingent Interest, if any, and Liquidated Damages, if any, on any Security.

SECTION 10.6. Reports by Trustee to Holders. If such report is required by TIA Section 313, within 60 days after each March 15, beginning with the May 15 following the date of this Indenture, the Trustee shall mail to each Securityholder a brief report dated as of such March 15 that complies with TIA Section 313(a). The Trustee also shall comply with TIA Section 313(b)(2) and (c).

A copy of each report at the time of its mailing to Securityholders shall be mailed to the Company and filed with the SEC and each stock exchange, if any, on which the Securities are listed. The Company shall promptly notify the Trustee whenever the Securities become listed on any stock exchange or listed or admitted to trading on any quotation system and any changes in the stock exchanges or quotation systems on which the Securities are listed or admitted to trading and of any delisting thereof.

SECTION 10.7. Compensation and Indemnity. The Company shall pay to the Trustee from time to time such compensation (as agreed to from time to time by the Company and the Trustee in writing) for its services (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust). The Company shall reimburse the Trustee upon request for all reasonable out-of-pocket disbursements, expenses and advances incurred or made by it. Such expenses may include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

The Company shall indemnify the Trustee or any predecessor

Trustee (which for purposes of this Section 10.7 shall include its officers, directors, employees and agents) for, and hold it harmless against, any and all

loss, liability or expense including taxes (other than taxes based upon, measured by or determined by the income or franchise of the Trustee), (including reasonable legal fees and expenses) incurred by it in connection with the acceptance or administration of its duties under this Indenture or any action or failure to act as authorized or within the discretion or rights or powers conferred upon the Trustee hereunder including the reasonable costs and expenses of the Trustee and its counsel in defending itself against any claim (whether asserted by the Company, a Holder or any other person) or liability in connection with the exercise or performance of any of its powers or duties hereunder. The Trustee shall notify the Company promptly of any claim asserted against the Trustee for which it may seek indemnity. The Company need not pay for any settlement without its written consent, which shall not be unreasonably withheld.

The Company need not reimburse the Trustee for any expense or indemnify it against any loss or liability incurred by it resulting from its negligence or willful misconduct.

To secure the Company's payment obligations in this Section 10.7, the Trustee shall have a senior claim to which the Securities are hereby made subordinate on all money or property held or collected by the Trustee, except such money or property held in trust to pay the principal of and interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Securities. The obligations of the Company under this Section 10.7 shall survive the satisfaction and discharge of this Indenture or the resignation or removal of the Trustee.

When the Trustee incurs expenses or renders services after an Event of Default specified in clause (h) or (i) of Section 9.1 occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any Bankruptcy Law. The provisions of this Section 10.7 shall survive the termination of this Indenture.

SECTION 10.8. Replacement of Trustee. The Trustee may resign by so notifying the Company. The Holders of a majority in aggregate principal amount of the Securities then outstanding may remove the Trustee by so notifying the Trustee and may, with the Company's written consent, appoint a successor Trustee. A resignation or removal of a Trustee and the appointment of a successor Trustee shall become effective only upon the successor Trustee's appointment as provided in this Section 10.8. The Company may remove the Trustee:

(a) if the Trustee fails to comply with Section 10.10;

(b) if the Trustee is adjudged a bankrupt or an insolvent or a Custodian or other public officer takes charge of the Trustee or its property;

(c) if a receiver or other public officer takes charge of the Trustee or its property;

(d) if the Trustee becomes incapable of acting; or

(e) upon 90 days' notice to the Trustee.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint a successor Trustee. The resignation or removal of a Trustee shall not be

effective until a successor Trustee shall have delivered the written acceptance of its appointment as described below.

If a successor Trustee does not take office within 45 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of l0% in principal amount of the Securities then outstanding may petition any court of competent jurisdiction for the appointment of a successor Trustee at the expense of the Company.

If the Trustee fails to comply with Section 10.10, any Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Immediately after that, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee and be released from its obligations (exclusive of any

liabilities that the retiring Trustee may have incurred while acting as Trustee) hereunder, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. A successor Trustee shall mail notice of its succession to each Holder.

A retiring Trustee shall not be liable for the acts or omissions of any successor Trustee after its succession.

Notwithstanding replacement of the Trustee pursuant to this Section 10.8, the Company's obligations under Section 10.7 shall continue for the benefit of the retiring Trustee.

SECTION 10.9. Successor Trustee by Merger, Etc. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust assets (including the administration of this Indenture) to, another corporation, the resulting, surviving or transferee corporation, without any further act, shall be the successor Trustee, provided such transferee corporation shall qualify and be eligible under Section 10.10. Such successor Trustee shall promptly mail notice of its succession to the Company and each Holder.

SECTION 10.10. Eligibility; Disqualification. The Trustee shall always satisfy the requirements of paragraphs (1), (2) and (5) of TIA Section 310(a). The Trustee (or its parent holding company) shall have a combined capital and surplus of at least $50,000,000. If at any time the Trustee shall cease to satisfy any such requirements, it shall resign immediately in the manner and with the effect specified in this Article 10. The Trustee shall be subject to the provisions of TIA Section 310(b). Nothing herein shall prevent the Trustee from filing with the SEC the application referred to in the penultimate paragraph of TIA Section 310(b).

SECTION 10.11. Preferential Collection of Claims Against Company. The Trustee shall comply with TIA Section 311(a), excluding any creditor relationship listed in TIA Section 311(b). A Trustee who has resigned or been removed shall be subject to TIA Section 311(a) to the extent indicated therein.

ARTICLE 11

SATISFACTION AND DISCHARGE OF INDENTURE

SECTION 11.1. Satisfaction and Discharge of Indenture. The Company and the Guarantors may terminate all of their obligations under this Indenture if all Securities previously authenticated and delivered (other than Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.7) have been delivered to the Trustee for cancellation or if:

(a) the Securities mature within one year or all of them are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving a notice of redemption;

(b) the Company irrevocably deposits in trust with the Trustee money sufficient to pay the aggregate principal amount or Redemption Price of and any unpaid and accrued interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Securities to the Final Maturity Date or the Redemption Date, as the case may be. Immediately after making the deposit, the Company shall give notice of such event to the Securityholders;

(c) the Company has paid or caused to be paid all sums then payable by the Company to the Trustee hereunder; and

(d) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

The Company may only make the deposit during the one-year period and only if the terms of the Senior Indebtedness do not prohibit such a deposit and Article 6 permits it. Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company in Sections 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.12, 7.1, 7.2, 10.1, 10.2, 10.7 and 10.8 and Articles 3, 6, 11 and 15 shall survive until all obligations under the Indenture have been satisfied.

SECTION 11.2. Application of Trust Money. Subject to the provisions of Section 11.3, the Trustee or a Paying Agent shall hold in trust, for the benefit of the Holders, all money deposited with it pursuant to Section 11.1 and shall apply the deposited money in accordance with this Indenture and the Securities to the payment of the principal of and interest, Contingent

Interest, if any, and Liquidated Damages, if any, on the Securities. Money so held in trust shall not be subject to the subordination provisions of Article 6.

SECTION 11.3. Repayment to Company. The Trustee and each Paying Agent shall promptly pay to the Company upon written request any excess money (a) deposited with them pursuant to Section 11.1 and (b) held by them at any time.

The Trustee and each Paying Agent shall pay to the Company upon written request any money held by them for the payment of principal or interest, Contingent Interest, if any, or Liquidated Damages, if any, that remains unclaimed for two years after a right to such money has matured;

provided, however, that the Trustee or such Paying Agent, before being required to make any such payment, shall at the expense of the Company cause to be mailed to each Holder entitled to such money notice that such money remains unclaimed and that after a date specified therein, which shall be at least 30 days from the date of such mailing, any unclaimed balance of such money then remaining will be repaid to the Company. After payment to the Company, Holders entitled to money must look to the Company for payment as general creditors unless an applicable abandoned property law designates another person.

SECTION 11.4. Reinstatement. If the Trustee or any Paying Agent is unable to apply any money in accordance with Sections 11.1 and 11.2 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to Section 11.1 until such time as the Trustee or such Paying Agent is permitted to apply all such money in accordance with Section 11.2; provided, however, that if the Company has made any payment of the principal of or interest, Contingent Interest, if any, or Liquidated Damages, if any, on any Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive any such payment from the money held by the Trustee or such Paying Agent.

ARTICLE 12

AMENDMENTS, SUPPLEMENTS AND WAIVERS

SECTION 12.1. Without Consent of Holders. The Company, the Guarantors and the Trustee may amend or supplement this Indenture, the Securities or the Subsidiary Guarantees without notice to or consent of any Securityholder:

(a) to cure any ambiguity, defect or inconsistency;

(b) to evidence a successor to the Company or to a Guarantor and the assumption by that successor of the Company's or a Guarantor's obligations under this Indenture and the Securities or the Subsidiary Guarantees, as the case may be;

(c) to make any changes or modifications to this Indenture necessary in connection with the registration of the Securities and the Subsidiary Guarantees under the Securities Act and the qualification of this Indenture under the Trust Indenture Act as contemplated by this Indenture;

(d) to add to the covenants of the Company or the Guarantors for the benefit of the Holders or to surrender any right or power conferred upon the Company;

(e) to add to the Events of Default;

(f) to add Guarantors under the Indenture and the Securities;

(g) to make any other change that does not adversely affect the rights of any Securityholder; or

(h) to appoint a successor Trustee.

SECTION 12.2. With Consent of Holders. The Company, the Guarantors and the Trustee may amend or supplement this Indenture or the Securities with the written consent of the Holders of at least a majority in aggregate principal amount of the Securities then outstanding. The Holders of at least a majority in aggregate principal amount of the Securities then outstanding may waive compliance in a particular instance by the Company or any Guarantor with any provision of this Indenture, the Securities or the Subsidiary Guarantees without notice to any Securityholder. However, notwithstanding the

foregoing but subject to Section 13.4, without the written consent of each Securityholder affected, an amendment, supplement or waiver, including a waiver pursuant to Section 9.4, may not:

(a) change the stated maturity of the principal of any Security;

(b) reduce the rate or extend the time for payment of interest, Contingent Interest, if any, or Liquidated Damages, if any, of any Security;

(c) reduce the principal amount of, or any premium on, any Security;

(d) reduce any amount payable upon redemption or purchase at the option of the Holder, of any Security;

(e) modify the provisions with respect to the Company's obligation to redeem any Securities pursuant to Article 3 in a manner adverse to Holders;

(f) modify the provisions with respect to the purchase right of Holders pursuant to Article 3 in a manner adverse to Holders;

(g) modify the provisions with respect to the purchase right of Holders pursuant to Article 3 upon a Designated Event in a manner adverse to Holders;

(h) impair the right to institute suit for the enforcement of any payment on, or with respect to, any Security;

(i) change the currency of payment of principal of, or any premium or interest, Contingent Interest, if any, or Liquidated Damages, if any, on, any Security;

(j) adversely affect the right of Holders to convert Securities or reduce the shares of Common Stock or other property receivable upon conversion, other than as provided in or under Article 5 of this Indenture;

(k) modify the subordination provisions of Article 6 or change the definition of Senior Indebtedness;

(l) reduce the percentage of the aggregate principal amount of the outstanding Securities whose Holders must consent to a modification or amendment;

(m) reduce the percentage of the aggregate principal amount of the outstanding Securities necessary for the waiver of compliance with certain provisions of this Indenture or the waiver of certain defaults under this Indenture;

(n) modify any of the provisions of this Section 12.2 or Section 9.4, except to increase any such percentage or to provide that certain provisions of this Indenture cannot be modified or waived without the consent of the Holder of each outstanding Security affected thereby; and

(o) release any Guarantor that is a Significant Subsidiary from any of its obligations under its Subsidiary Guarantee in any manner that adversely affects Holders in any material respect other than in accordance with the terms of this Indenture.

It shall not be necessary for the consent of the Holders under this Section 12.2 to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves substance thereof.

After an amendment, supplement or waiver under this Section 12.2 becomes effective, the Company shall mail to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment, supplement or waiver. An amendment or supplement under this Section 12.2 or under Section 12.1 may not make any change that adversely affects the rights under Articles 6 and 14 of any holder of an issue of Senior Indebtedness unless the holders of that issue, pursuant to its terms, consent to the change.

SECTION 12.3. Compliance with Trust Indenture Act. Every amendment to or supplement of this Indenture or the Securities shall comply with the TIA as in effect at the date of such amendment or supplement.

SECTION 12.4. Revocation and Effect of Consents. Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security, even if notation of the consent is not made on any Security. However, any such Holder or subsequent Holder may revoke the consent as to its Security or portion of a Security if the Trustee receives the notice of revocation before the date the amendment, supplement or waiver becomes effective.

After an amendment, supplement or waiver becomes effective, it shall bind every Securityholder, unless it makes a change described in any of clauses (a) through (o) of Section 12.2. In that case, the amendment, supplement or waiver shall bind each Holder of a Security who has consented to it and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security.

SECTION 12.5. Notation on or Exchange of Securities. If an amendment, supplement or waiver changes the terms of a Security, the Trustee may require the Holder of the Security to deliver such Security to the Trustee. The Trustee may place an appropriate notation on the Security about the changed terms and return it to the Holder. Alternatively, if the Company or the Trustee so determines, the Company in exchange for the Security shall issue and the Trustee shall authenticate a new Security that reflects the changed terms.

SECTION 12.6. Trustee to Sign Amendments, Etc. The Trustee shall sign any amendment or supplemental indenture authorized pursuant to this Article 12 if the amendment or supplemental indenture does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may, in its sole discretion, but need not sign it. In signing or refusing to sign such amendment or supplemental indenture, the Trustee shall be entitled to receive and, subject to Section 10.1, shall be fully protected in relying upon, an Officers' Certificate and an Opinion of Counsel stating that such amendment or supplemental indenture is authorized or permitted by this Indenture.

SECTION 12.7. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

ARTICLE 13

GUARANTEES

SECTION 13.1. Unconditional Guarantee.

Each Guarantor shall unconditionally jointly and severally guarantee to each Holder of a Security authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, that: (a) the principal of and interest, including Contingent Interest, if any, and Liquidated Damages, if any, on the Securities will be promptly paid in full when due, subject to any applicable grace period, whether at maturity, upon purchase at the option of the Holders pursuant to Section 3.7 or 3.8, by acceleration or otherwise and interest on the overdue principal, if any, and interest on any interest, to the extent lawful, of the Securities and all other obligations of the Company to the Holders or the Trustee under this Indenture or the Securities will be promptly paid in full or performed, all in accordance with the terms hereof and thereof and (b) in case of any extension of time of payment or renewal of any Securities or of any such other obligations, the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, subject to any applicable grace period, whether at stated maturity, by acceleration or otherwise.

Each Guarantor agrees that, as between such Guarantor on the one hand, and the Holders and the Trustee on the other hand, (i) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 9 for the purposes of the Subsidiary Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the

obligations guaranteed hereby, and (ii) in the event of any acceleration of such obligations as provided in Article 9, such obligations (whether or not due and payable) shall forthwith become due and payable by such Guarantor for the purposes of the Subsidiary Guarantee.

Each Guarantor agrees that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Securities or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Securities with respect to any provisions

hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that the Subsidiary Guarantee will not be discharged except by complete performance of the obligations contained in the Securities, this Indenture and in the Subsidiary Guarantee. If any Securityholder or the Trustee is required by any court or otherwise to return to the Company, any Guarantor, or any Custodian acting in relation to the Company or any Guarantor, any amount paid by the Company or such Guarantor to the Trustee or such Securityholder, the Subsidiary Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. Each Guarantor agrees that, in the event of default in the payment of principal (or premium, if any) or interest, Contingent Interest, if any, or Liquidated Damages, if any, on such Securities, whether at their Stated Maturity, by acceleration, upon redemption, purchase or otherwise, legal proceedings may be instituted by the Trustee on behalf of, or by, the Holder of such Securities, subject to the terms and conditions set forth in this Indenture, directly against each of the Guarantors to enforce the Subsidiary Guarantee without first proceeding against the Company. Each Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default, the Trustee or any Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Securities, to collect interest, Contingent Interest, if any, or Liquidated Damages, if any, on the Securities, or to enforce any other right or remedy with respect to the Securities, the Guarantors will pay to the Trustee for the account of the Holders, upon demand therefor, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders. The Guarantors will agree to pay, in addition to the amount stated above, any and all expenses (including reasonable counsel fees and expenses) incurred by the Trustee and the Holders in enforcing any rights under the Subsidiary Guarantees with respect to the Guarantors.

SECTION 13.2. Severability.

In case any provision of the Subsidiary Guarantee shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 13.3. Release of Guarantor from the Subsidiary Guarantee.

Upon the sale or disposition (including by way of consolidation or merger or otherwise) of all of the Capital Stock of a Guarantor (or all or substantially all of its assets) to an entity which is not the Company or a Subsidiary or Affiliate of the Company, and provided that all

guarantees by such Guarantor of any of the Company's Senior Subordinated Indebtedness or Subordinated Obligations are terminated at the time of such release, such Subsidiary Guarantor shall be deemed released from all obligations under this Article 13 without any further action required on the part of the Trustee or any Holder. In addition, upon the release of a guarantee of any guarantor under the 13% Notes that is also a Guarantor, such Guarantor will be automatically released and relieved of all of its obligations under this Indenture and its Subsidiary Guarantee will terminate and be of no further force or effect; provided, that, if at any time after such release such Guarantor again becomes a guarantor under the 13% Notes, the Company shall cause such Guarantor to unconditionally guarantee, pursuant to a supplemental indenture executed and delivered to the Trustee, in form satisfactory to the Trustee (together with an Officers' Certificate and an Opinion of Counsel, each stating that such supplemental indenture complies with this Indenture), on a senior subordinated basis all of the Company's obligations under the Securities and this Indenture to the same extent as it guarantees the Company's obligations under the 13% Notes.

The Trustee shall deliver an appropriate instrument evidencing such release upon receipt of a request by the Company accompanied by an Officers' Certificate certifying as to the compliance with this Section 13.3.

SECTION 13.4. Limitation on Amount Guaranteed; Contribution by Guarantors.

(a) Anything contained in this Indenture or the Subsidiary Guarantee to the contrary notwithstanding, if any Fraudulent Transfer Law (as hereinafter defined) is determined by a court of competent jurisdiction to be applicable to the obligations of any Guarantor under the Subsidiary Guarantee, such obligations of such Guarantor under the Subsidiary Guarantee shall be limited to a maximum aggregate amount equal to the largest amount that would not render its obligations under the Subsidiary Guarantee subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any applicable provisions of comparable state law (collectively,

the "Fraudulent Transfer Laws"), in each case after giving effect to all other liabilities of such Guarantor, contingent or otherwise (including, without limitation, any guarantees under the Credit Facility or the 13% Notes), that are relevant under the Fraudulent Transfer Laws (specifically excluding, however, any liabilities of such Guarantor (i) in respect of intercompany Indebtedness to the Company or other Affiliates of the Company to the extent that such Indebtedness would be discharged in an amount equal to the amount paid by such Guarantor under the Subsidiary Guarantee and (ii) under any Subsidiary Guarantee of Subordinated Obligations which Subsidiary Guarantee contains a limitation as to maximum amount similar to that set forth in this subsection 13.4(a), pursuant to which the liability of such Guarantor under the Subsidiary Guarantee is included in the liabilities taken into account in determining such maximum amount) and after giving effect as assets to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation, reimbursement, indemnification or contribution of such Guarantor pursuant to applicable law or pursuant to the terms of any agreement (including without limitation any such right of contribution under subsection 13.4(b)).

(b) The Guarantors together may desire to allocate among themselves in a fair and equitable manner, their obligations arising under the Subsidiary Guarantee. Accordingly, if any payment or distribution is made on any date by any Guarantor under the Subsidiary Guarantee (a "Funding Guarantor")

that exceeds its Fair Share (as defined below) as of such date, that Funding Guarantor will be entitled to a contribution from each of the other Guarantors in the amount of such other Guarantor's Fair Share Shortfall (as defined below) as of such date, with the result that all such contributions will cause each Guarantor's Aggregate Payments (as defined below) to equal its Fair Share as of such date. "Fair Share" means, with respect to a Guarantor as of any date of determination, an amount equal to (i) the ratio of (A) the Adjusted Maximum Amount (as defined below) with respect to such Guarantor to (B) the aggregate of the Adjusted Maximum Amounts with respect to all Guarantors, multiplied by (ii) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under the Subsidiary Guarantee in respect of the obligations guarantied. "Fair Share Shortfall" means, with respect to a Guarantor as of any date of determination, the excess, if any, of the Fair Share of such Guarantor over the Aggregate Payments of such Guarantor. "Adjusted Maximum Amount" means, with respect to a Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Guarantor under the Subsidiary Guarantee, determined as of such date in accordance with subsection 13.4(a); provided that, solely for purposes of calculating the Adjusted Maximum Amount with respect to any Guarantor for purposes of this subsection 13.4(b), any assets or liabilities of such Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Guarantor. "Aggregate Payments" means, with respect to a Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date by such Guarantor in respect of the Subsidiary Guarantee (including, without limitation, in respect of this subsection 13.4(b) minus (2) the aggregate amount of all payments received on or before such date by such Guarantor from the other Guarantors as contributions under this subsection 13.4(b)). The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among Guarantors of their obligations as set forth in this subsection 13.4(b) shall not be construed in any way to limit the liability of any Guarantor under this Indenture or under the Subsidiary Guarantee.

SECTION 13.5. Waiver of Subrogation.

Until payment in full is made of the Securities and all other obligations of the Company to the Holders or the Trustee hereunder and under the Securities, each Guarantor irrevocably waives any claim or other rights it acquires against the Company that arise from the existence, payment, performance or enforcement of such Guarantor's obligations under the Subsidiary Guarantee and this Indenture, including without limitation, any right of subrogation, reimbursement, exoneration, indemnification, and any right to participate in any claim or remedy of any Holder against the Company, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law, including, without limitation, the right to take or receive from the Company, directly or indirectly, in cash or other property or by set-off or any other manner, payment or security on account of such claim or other rights. If any amount shall be paid to any Guarantor in violation of the preceding sentence and the Securities shall not have been paid in full, such amount shall have been deemed to have been paid to such Guarantor for the benefit of, and held in trust for the benefit of, the Holders of the Securities, and shall forthwith be paid to the Trustee for the benefit of such Holders to be credited and applied upon the Securities, whether matured or unmatured, in accordance with the terms of this Indenture. Each Guarantor acknowledges that it will receive direct and

indirect benefits from the financing arrangements contemplated by this Indenture and that the waiver set forth in this Section 10.05 is knowingly made in contemplation of such benefits.

SECTION 13.6. Execution of Subsidiary Guarantee.

To evidence its guarantee to the Securityholders set forth in this Article Ten, each Guarantor will execute the Subsidiary Guarantee in substantially the form attached to this Indenture as Exhibit F, which shall be endorsed on each Security ordered to be authenticated and delivered by the Trustee. Each Guarantor agrees that the Subsidiary Guarantee set forth in this Article 13 shall remain in full force and effect notwithstanding any failure to endorse on each Security a notation of the Subsidiary Guarantee. The Subsidiary Guarantee shall be signed on behalf of each Guarantor by one Officer of such Guarantor (each of whom shall, in each case, have been duly authorized by all requisite corporate actions), and the delivery of such Security by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Subsidiary Guarantee on behalf of such Guarantor. Such signatures upon the Subsidiary Guarantee may be by manual or facsimile signature of such officers and may be imprinted or otherwise reproduced on the Subsidiary Guarantee, and in case any such Officer who shall have signed the Subsidiary Guarantee shall cease to be such officer before the Security on which the Subsidiary Guarantee is endorsed shall have been authenticated and delivered by the Trustee or disposed of by the Company, such Security nevertheless may be authenticated and delivered or disposed of as though the person who signed the Subsidiary Guarantee had not ceased to be such Officer of such Guarantor.

SECTION 13.7. Waiver of Stay, Extension or Usury Laws.

Each Guarantor covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law that would prohibit or forgive such Guarantor from performing the Subsidiary Guarantee as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Indenture; and (to the extent that it may lawfully do so) each Guarantor expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 14

SUBORDINATION OF GUARANTEES

SECTION 14.1. Agreement to Subordinate.

Each Guarantor by execution of a Subsidiary Guarantee jointly and unconditionally will agree, and each Holder by accepting a Security will agree, that any payment of obligations by each Guarantor in respect of the Subsidiary Guarantee (its "Guarantee Obligations") is subordinated in right of payment, to the extent and in the manner provided in this Article 14, to the prior payment in full in cash of all Senior Indebtedness of such Guarantor

(including any guarantee of such Guarantor of the Credit Facility) and that the subordination is for the benefit of and enforceable by the holders of such Guarantor's Senior Indebtedness. The Guarantee Obligations shall in all respects rank pari passu in right of payment with all other Senior Subordinated Indebtedness of such Guarantors, including the obligations of such Guarantors under any guarantees of the 13% Notes, and only Indebtedness which is Senior Indebtedness of such Guarantors shall rank senior in right of payment to the Guarantee Obligations in accordance with the provisions set forth herein.

SECTION 14.2. Liquidation, Dissolution, Bankruptcy.

Upon any payment or distribution of the assets of any Guarantor to creditors upon a total or partial liquidation or a total or partial dissolution of such Guarantor or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to such Guarantor or its property:

(a) holders of such Guarantor's Senior Indebtedness shall be entitled to receive payment in full in cash of such Senior Indebtedness before Holders shall be entitled to receive any payment with respect to the Subsidiary Guarantee;

(b) until such Guarantor's Senior Indebtedness is paid in full in cash, any payment with respect to the Subsidiary Guarantee to which Holders would be entitled but for this Article 14 shall be made to holders of such Senior Indebtedness as their interests may appear; and

(c) if a distribution is made to Holders that, due to the

subordination provisions, should not have been made to them, such holders of the Securities are required to hold it in trust for the holders of Senior Indebtedness and pay it over to them as their interests may appear.

SECTION 14.3. Default on Senior Indebtedness.

A Guarantor may not make any payment with respect to its Guarantee Obligations or make any deposit pursuant to Section 11.1 (collectively, "pay the Subsidiary Guarantee") if (a) any of such Guarantor's or the Company's Designated Senior Indebtedness is not paid in full in cash when due or (b) any other default on such Guarantor's or the Company's Designated Senior Indebtedness occurs and the maturity of such Designated Senior Indebtedness is accelerated in accordance with its terms unless, in either case, (i) the default has been cured or waived and any such acceleration has been rescinded or (ii) such Designated Senior Indebtedness has been paid in full in cash; provided, however, that the Guarantor may pay the Subsidiary Guarantee without regard to the foregoing if the Trustee receives written notice approving such payment from the Representative of such Designated Senior Indebtedness guaranteed by such Guarantor. During the continuance of any default (other than a default described in clause (a) or (b) of the preceding sentence) with respect to any Guarantor's or Company's Designated Senior Indebtedness pursuant to which the maturity thereof may be accelerated either immediately without further notice (except such notice as may be required to effect such acceleration) or after the expiration of any applicable grace periods, the Guarantor may not pay the Subsidiary Guarantee for a period (a "Payment Blockage Period") commencing upon the receipt by the Trustee (with a copy to such Guarantor) of written

notice (a "Blockage Notice") of such default from the Representative of such Designated Senior Indebtedness of such Guarantor or the Company guaranteed by such Guarantor specifying an election to effect a Payment Blockage Period and ending 179 days thereafter (or earlier if such Payment Blockage Period is terminated (A) by written notice to the Trustee and such Guarantor from the Person or Persons who gave such Blockage Notice, (B) because the default giving rise to such Blockage Notice is cured, waived or otherwise no longer continuing or (C) because such Designated Senior Indebtedness of such Guarantor and the related Designated Senior Indebtedness of the Company has been discharged or paid in full). Notwithstanding the provisions described in the immediately preceding sentence (but subject to the provisions contained in the first sentence of this Section 14.3), unless the holders of such Guarantor's or the Company's Designated Senior Indebtedness or the Representative of such holders shall have accelerated the maturity of such Guarantor's or the Company's Designated Senior Indebtedness, the Guarantor may resume payments on the Subsidiary Guarantee after termination of such Payment Blockage Period. The Subsidiary Guarantee will not be subject to more than one Payment Blockage Period in any consecutive 360-day period, irrespective of the number of defaults with respect to such Designated Senior Indebtedness during such period. No default or event of default which existed or was continuing on the date of the commencement of any Payment Blockage Period with respect to the Guarantor's or the Company' Designated Senior Indebtedness initiating such Payment Blockage Period (whether or not such default is on the same issue of Designated Senior Indebtedness) shall be, or be made, the basis of the commencement of a subsequent Payment Blockage Period by the Representative of such Guarantor's or the Company' Designated Senior Indebtedness, whether or not within a period of 360 consecutive days, unless such default or event of default shall have been cured or waived for a period of not less than 90 consecutive days subsequent to commencement of such initial Payment Blockage Period.

SECTION 14.4. Acceleration of Payment of Securities.

If payment of a Subsidiary Guarantee is accelerated because of an Event of Default, such Guarantor or the Trustee shall promptly notify the holders of such Guarantor's or the Company' Designated Senior Indebtedness (or their Representatives) of the acceleration. The Trustee shall give notice of such acceleration, of which it has actual knowledge, to all holders of such Guarantor's or the Company' Designated Senior Indebtedness. Prior to the Trustee's giving such notice, the Company shall notify the Trustee of the name and address of any such holder of such Designated Senior Indebtedness.

SECTION 14.5. When Distribution Must Be Paid Over.

If a distribution is made to Holders that because of this Article 14 should not have been made to them, the Holders who receive the distribution shall hold it in trust for holders of such Guarantor's Senior Indebtedness and pay it over to them as their interests may appear, and the Trustee shall not be liable to any holders of such Guarantor's Senior Indebtedness. With respect to the holders of such Guarantor's Senior Indebtedness, the Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in this Article 14 and no implied covenants or obligations with respect to holders of such Guarantor's Senior Indebtedness shall be read into this Indenture against the Trustee.

SECTION 14.6. Subrogation.

After a Guarantor's Senior Indebtedness is paid in full in cash and until the Subsidiary Guarantees are paid in full, Holders shall be subrogated to the rights of holders of such Senior Indebtedness to receive distributions applicable to such Guarantor's Senior Indebtedness. A distribution made under this Article 14 to holders of such Guarantor's Senior Indebtedness which otherwise would have been made to Holders is not, as between such Guarantor and such Holders, a payment by such Guarantor on such Senior Indebtedness.

SECTION 14.7. Relative Rights.

This Article 14 defines the relative rights of Holders and holders of a Guarantor's Senior Indebtedness. Nothing in this Indenture shall:

(i) impair, as between such Guarantor and any Holder, the obligation of such Guarantor, which is absolute and unconditional, to pay the Guarantee Obligations in accordance with their terms; or

(ii) prevent the Trustee or any Holder from exercising its available remedies upon a Default, subject to the rights of holders of a Guarantor's Senior Indebtedness to receive distributions otherwise payable to Holders.

SECTION 14.8. Subordination May Not Be Impaired by a Guarantor.

No right of any holder of a Guarantor's Senior Indebtedness to enforce the subordination of the Indebtedness evidenced by the Subsidiary Guarantees shall be impaired by any act or failure to act by such Guarantor or by its failure to comply with this Indenture.

SECTION 14.9. Rights of Trustee and Paying Agent.

Notwithstanding Section 14.3, the Trustee or Paying Agent may continue to make payments in respect of a Subsidiary Guarantee and shall not be charged with knowledge of the existence of facts that would prohibit the making of any such payments unless, not less than two Business Days prior to the date of such payment, a Trust Officer of the Trustee receives notice satisfactory to it that payments may not be made under this Article 14. Such Guarantor, the Registrar or co-registrar, the Paying Agent, a Representative or a holder of such Guarantor's Senior Indebtedness may give the notice; provided, however, that, if an issue of a Guarantor's Senior Indebtedness has a Representative, only the Representative may give the notice.

The Trustee in its individual or any other capacity may hold a Guarantor's Senior Indebtedness with the same rights it would have if it were not Trustee. The Registrar and co-registrar, the Paying Agent and any agent of any Guarantor may do the same with like rights. The Trustee shall be entitled to all the rights set forth in this Article 14 with respect to any Guarantor's Senior Indebtedness which may at any time be held by it, to the same extent as any other holder of such Guarantor's Senior Indebtedness; and nothing in Article 9 shall deprive the Trustee of any of its rights as such holder. Nothing in this Article 14 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 9.7.

SECTION 14.10. Distribution or Notice to Representative.

Whenever a distribution is to be made or a notice given to holders of a Guarantor's Senior Indebtedness, the distribution may be made and the notice given to their Representative (if any).

SECTION 14.11. Article 14 Not To Prevent Events of Default or Limit Right To Accelerate.

The failure to make a payment relating to the Guarantee Obligations by reason of any provision in this Article 14 shall not be construed as preventing the occurrence of a Default. Nothing in this Article 14 shall have any effect on the right of the Holders or the Trustee to accelerate the maturity of the Securities.

SECTION 14.12. Trustee Entitled To Rely.

Upon any payment or distribution pursuant to this Article 14, the Trustee and the Holders shall be entitled to rely (a) upon any order or decree of a court of competent jurisdiction in which any proceedings of the nature referred to in Section 14.2 are pending, (b) upon a certificate of the liquidating trustee or agent or other Person making such payment or distribution

to the Trustee or to the Holders or (c) upon the Representatives for the holders of each Guarantor's Senior Indebtedness for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of such Guarantor Senior Indebtedness and other Indebtedness of any Guarantor's, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article 14. In the event that the Trustee determines, in good faith, that evidence is required with respect to the right of any Person as a holder of a Guarantor's Senior Indebtedness to participate in any payment or distribution pursuant to this Article 14, the Trustee may request such Person to furnish evidence to the satisfaction of the Trustee as to the amount of such Guarantor's Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and other facts pertinent to the rights of such Person under this Article 14, and, if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment. The provisions of Sections 10.1 and 10.2 shall be applicable to all actions or omissions of actions by the Trustee pursuant to this Article 14.

SECTION 14.13. Trustee To Effectuate Subordination.

Each Holder by accepting a Security authorizes and directs the Trustee on his or its behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination between the Holders and the holders of any Guarantor's Senior Indebtedness as provided in this Article 14 and appoints the Trustee as attorney-in-fact for any and all such purposes.

SECTION 14.14. Trustee Not Fiduciary for Holders of Senior Indebtedness of Guarantors.

The Trustee shall not be deemed to owe any fiduciary duty to the holders of any Guarantor's Senior Indebtedness and shall not be liable to any such holders of Senior Indebtedness if it shall mistakenly pay over or distribute to Holders or any Guarantor or any other Person, money or assets to which any holders of such Guarantor's Senior Indebtedness shall be entitled by virtue of this Article 14 or otherwise.

SECTION 14.15. Reliance by Holders of Senior Indebtedness of Guarantors on Subordination Provisions.

Each Holder by accepting a Security acknowledges and agrees that the foregoing subordination provisions are, and are intended to be, an inducement and a consideration to each holder of any Guarantor's Senior Indebtedness whether such Senior Indebtedness was created or acquired before or after the issuance of the Securities, to acquire and continue to hold, or to continue to hold, such Senior Indebtedness and such holder of such Senior Indebtedness shall be deemed conclusively to have relied on such subordination provisions in acquiring and continuing to hold, or in continuing to hold, such Senior Indebtedness.

ARTICLE 15

MISCELLANEOUS

SECTION 15.1. Trust Indenture Act Controls. If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by any of Sections 310 to 317, inclusive, of the TIA through operation of Section 318(c) thereof, such imposed duties shall control.

SECTION 15.2. Notices. Any demand, authorization notice, request, consent or communication shall be given in writing and delivered in person or mailed by first-class mail, postage prepaid, addressed as follows or transmitted by facsimile transmission (confirmed by delivery in person or mail by first-class mail, postage prepaid, or by guaranteed overnight courier) to the following facsimile numbers:

If to the Company:

Actuant Corporation
6100 North Baker Road
Milwaukee, WI 53209
Attention: Chief Financial Officer
Facsimile No.: (414) 247-5550

if to the Trustee:

U.S. Bank National Association
60 Livingston Avenue,

St. Paul, Minnesota 55107
Attention: Corporate Trust Administration
Facsimile No.: 651-495-8097

Such notices or communications shall be effective when received.

The Company or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Securityholder shall be mailed by first-class mail or delivered by an overnight delivery service to it at its address shown on the register kept by the Registrar.

Failure to mail a notice or communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders. If a notice or communication to a Securityholder is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

SECTION 15.3. Communications by Holders with Other Holders. Securityholders may communicate pursuant to TIA Section 312(b) with other Securityholders with respect to their rights under this Indenture or the Securities. The Company, the Trustee, the Registrar and any other person shall have the protection of TIA Section 312(c).

SECTION 15.4. Certificate and Opinion as to Conditions Precedent. (a) Upon any request or application by the Company or any Guarantor to the Trustee to take any action under this Indenture, except upon the initial issuance of Securities hereunder, the Company or such Guarantor shall furnish to the Trustee at the request of the Trustee:

(i) an Officers' Certificate stating that, in the opinion of the appropriate signatories thereto, all conditions precedent (including any covenants, compliance with which constitutes a condition precedent), if any, provided for in this Indenture relating to the proposed action have been complied with; and

(ii) an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent (including any covenants, compliance with which constitutes a condition precedent) have been complied with.

(b) Each Officers' Certificate and Opinion of Counsel with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(i) a statement that the person making such certificate or opinion has read such covenant or condition;

(ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(iii) a statement that, in the opinion of such person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(iv) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with;

provided, however, that with respect to matters of fact an Opinion of Counsel may rely on an Officers' Certificate or certificates of public officials.

SECTION 15.5. Record Date for Vote or Consent of Securityholders. The Company (or, in the event deposits have been made pursuant to Section 11.1, the Trustee) may set a record date for purposes of determining the identity of Holders entitled to vote or consent to any action by vote or consent authorized or permitted under this Indenture, which record date shall not be more than 30 days prior to the date of the commencement of solicitation of such action. Notwithstanding the provisions of Section 12.4, if a record date is fixed, those persons who were Holders of Securities at the close of business on such record date (or their duly designated proxies), and only those persons, shall be entitled to take such action by vote or consent or to revoke any vote or consent previously given, whether or not such persons continue to be Holders after such record date.

SECTION 15.6. Rules by Trustee, Paying Agent, Registrar and Conversion Agent. The Trustee may make reasonable rules (not inconsistent with the terms of this Indenture) for action by or at a meeting of Holders. Any Registrar, Paying Agent or Conversion Agent may make reasonable rules for its functions.

SECTION 15.7. Legal Holidays. A "Legal Holiday" is a Saturday, Sunday or a day on which state or federally chartered banking institutions in New York, New York and the state in which the Corporate Trust Office is located are not required to be open. If a payment date is a Legal Holiday, payment shall be made on the next succeeding day that is not a Legal Holiday, and no interest, Contingent Interest, if any, or Liquidated Damages, if any, shall accrue for the intervening period. If a regular record date is a Legal Holiday, the record date shall not be affected.

SECTION 15.8. Governing Law; Waiver of Jury Trial. This Indenture, the Securities and the Subsidiary Guarantees endorsed on the Securities shall be governed by, and construed in accordance with, the laws of the State of New York, applicable to contracts made and performed within the State of New York.

EACH OF THE COMPANY, THE GUARANTORS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO

THIS INDENTURE, THE SECURITIES, THE SUBSIDIARY GUARANTEES ENDORSED ON THE SECURITIES OR THE TRANSACTION CONTEMPLATED HEREBY AND THEREBY, RESPECTIVELY.

SECTION 15.9. No Adverse Interpretation of Other Agreements. This Indenture may not be used to interpret another indenture, loan or debt agreement of the Company or a Subsidiary of the Company. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

SECTION 15.10. No Recourse Against Others. All liability described in paragraph 19 of the Securities of any past, present or future director, officer, employee, shareholder or controlling person, as such, of the Company is waived and released.

SECTION 15.11. Successors. All agreements of the Company in this Indenture and the Securities shall bind its successor. All agreements of the Trustee in this Indenture shall bind its successor.

SECTION 15.12. Multiple Counterparts. The parties hereto may sign one or more copies of this Indenture in counterparts, all of which together shall constitute one and the same agreement.

SECTION 15.13. Separability. In case any provisions in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 15.14. Table of Contents, Headings, Etc. The table of contents, cross-reference sheet and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands as of the date and year first above written.

ACTUANT CORPORATION

By:

Name:
Title:

ACTUANT INVESTMENTS, INC.

By:

Name:
Title:

APPLIED POWER INVESTMENTS II, INC.

By:

Name:
Title:

CALTERM TAIWAN, INC.

By:

Name:
Title:

COLUMBUS MANUFACTURING, LLC

By:

Name:
Title:

ENGINEERED SOLUTIONS L.P.

By:

Name:
Title:

GB TOOLS AND SUPPLIES, INC.

By:

Name:
Title:

NEW ENGLAND CONTROLS, INC.

By:

Name:
Title:

NIELSEN HARDWARE CORPORATION

By:

Name:
Title:

VERSA TECHNOLOGIES, INC.

By:

Name:
Title:

VT HOLDINGS II, INC.

By:

Name:
Title:

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By:

Name:
Title:

SCHEDULE I

<TABLE>

PROJECTED PAYMENT SCHEDULE(1)
PER $1,000 PRINCIPAL AMOUNT AT MATURITY OF SECURITIES

Comparable yield: 7.75%, compounded semiannually

<CAPTION>

SEMIANNUAL PERIOD ENDING	PROJECTED PAYMENTS
<S>	<C>
May 15, 2004	$10.28
November 15, 2004	$10.00
May 15, 2005	$10.00
November 15, 2005	$10.00
May 15, 2006	$10.00
November 15, 2006	$10.00
May 15, 2007	$10.00
November 15, 2007	$10.00
May 15, 2008	$10.00
November 15, 2008	$10.00
May 15, 2009	$10.00
November 15, 2009	$10.00
May 15, 2010	$10.00
November 15, 2010	$10.00
May 15, 2011	$13.29
November 15, 2011	$13.42
May 15, 2012	$13.56
November 15, 2012	$13.69
May 15, 2013	$13.84
November 15, 2013	$13.99
May 15, 2014	$14.15
November 15, 2014	$14.31
May 15, 2015	$14.48
November 15, 2015	$14.65
May 15, 2016	$14.83

(1) The schedule of projected payments is determined on the basis of an assumption of linear growth of the stock price and is not determined for any purpose other than for the determination of interest accruals and adjustments thereof in respect of the Securities for United States federal income tax purposes. The schedule of projected payments does not constitute a projection or representation regarding the amounts payable on the Securities.

SEMIANNUAL PERIOD ENDING	PROJECTED PAYMENTS
November 15, 2016	$15.02
May 15, 2017	$15.22
November 15, 2017	$15.42
May 15, 2018	$15.63
November 15, 2018	$15.85
May 15, 2019	$16.08
November 15, 2019	$16.32
May 15, 2020	$16.57
November 15, 2020	$16.82
May 15, 2021	$17.09
November 15, 2021	$17.37
May 15, 2022	$17.65
November 15, 2022	$17.95
May 15, 2023	$18.26
November 15, 2023	$3,452.64

</TABLE>

EXHIBIT A

[FORM OF FACE OF GLOBAL SECURITY]

FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THIS SECURITY IS BEING ISSUED WITH ORIGINAL ISSUE DISCOUNT AND THE ISSUE DATE OF THIS SECURITY IS NOVEMBER 10, 2003. IN ADDITION, THIS SECURITY IS SUBJECT TO UNITED STATES FEDERAL INCOME TAX REGULATIONS GOVERNING CONTINGENT PAYMENT DEBT INSTRUMENTS. FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE, THE ISSUE PRICE OF EACH SECURITY IS $1,000 PER $1,000 OF PRINCIPAL AMOUNT AND THE COMPARABLE YIELD IS 7.75%, COMPOUNDED SEMIANNUALLY (WHICH WILL BE TREATED AS THE YIELD TO MATURITY FOR UNITED STATES FEDERAL INCOME TAX PURPOSES).

ACTUANT CORPORATION (THE "COMPANY", WHICH TERM INCLUDES ANY SUCCESSOR THERETO) AGREES, AND BY ACCEPTING A BENEFICIAL OWNERSHIP INTEREST IN THIS SECURITY EACH HOLDER AND ANY BENEFICIAL OWNER OF THIS SECURITY WILL BE DEEMED TO HAVE AGREED, FOR UNITED STATES FEDERAL INCOME TAX PURPOSES (1) TO TREAT THIS SECURITY AS A DEBT INSTRUMENT THAT IS SUBJECT TO TREAS. REG. SEC. 1.1275-4 (THE "CONTINGENT PAYMENT REGULATIONS"), (2) TO TREAT THE FAIR MARKET VALUE OF ANY STOCK RECEIVED UPON ANY CONVERSION OF THIS SECURITY AS A CONTINGENT PAYMENT FOR PURPOSES OF THE CONTINGENT PAYMENT REGULATIONS, AND (3) TO ACCRUE INTEREST WITH RESPECT TO THE SECURITY AS ORIGINAL ISSUE DISCOUNT FOR UNITED STATES FEDERAL INCOME TAX PURPOSES ACCORDING TO THE "NONCONTINGENT BOND METHOD," SET FORTH IN THE CONTINGENT PAYMENT REGULATIONS, AND TO BE BOUND BY THE COMPANY'S DETERMINATION OF THE "COMPARABLE YIELD" AND "PROJECTED PAYMENT SCHEDULE," WITHIN THE MEANING OF THE CONTINGENT PAYMENT REGULATIONS, WITH RESPECT TO THIS SECURITY. THE COMPANY AGREES TO PROVIDE PROMPTLY TO THE HOLDER OF THIS SECURITY, UPON WRITTEN REQUEST, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT, ISSUE PRICE, ISSUE DATE, YIELD TO MATURITY, COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE. ANY SUCH WRITTEN REQUEST SHOULD BE SENT TO THE COMPANY AT THE FOLLOWING ADDRESS: CHIEF FINANCIAL OFFICER, ACTUANT CORPORATION, 6100 NORTH BAKER ROAD, MILWAUKEE, WI 53209.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE

OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS, IN WHOLE BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ARTICLE TWO OF THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

THIS SECURITY AND THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY, THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN OR THEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OR THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS TWO YEARS AFTER THE LATER OF (x) THE ORIGINAL ISSUE DATE OF THIS SECURITY (OR, IF THE OVER-ALLOTMENT OPTION GRANTED TO THE INITIAL PURCHASERS OF THE SECURITIES WAS EXERCISED, THE ORIGINAL ISSUE DATE OF THE SECURITIES ISSUED UPON EXERCISE OF SUCH OPTION, IF LATER) AND (y) THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE (AS DEFINED IN RULE 144 OF THE SECURITIES ACT) OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE144A UNDER THE SECURITIES ACT THAT PURCHASES IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (D) PURSUANT TO

ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, INCLUDING UNDER RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL

TIMES WITHIN ITS OR THEIR CONTROL, AND SUBJECT TO THE RIGHTS OF THE COMPANY AND THE WITHIN MENTIONED TRUSTEE IN THE CASE OF ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

[THE HOLDER OF THIS SECURITY IS ENTITLED TO THE BENEFITS OF A REGISTRATION RIGHTS AGREEMENT (AS SUCH TERM IS DEFINED IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF) AND, BY ITS ACCEPTANCE HEREOF, AGREES TO BE BOUND BY AND TO COMPLY WITH THE PROVISIONS OF SUCH REGISTRATION RIGHTS AGREEMENT.](2)

- --------
(2) This paragraph should be included only if the Security is a Restricted Security.

ACTUANT CORPORATION
2% CONVERTIBLE SENIOR SUBORDINATED DEBENTURES DUE 2023

No.
- ---
CUSIP: 00508XAA2
- -----
Issue Date: November 10, 2003
- ----------
Principal Amount: $150,000,000
- ----------

Actuant Corporation, a Wisconsin corporation (the "Company", which term shall include any successor corporation under the Indenture referred to on the reverse hereof), promises to pay to Cede & Co., or registered assigns, the principal sum of ONE HUNDRED FIFTY MILLION DOLLARS ($150,000,000) on November 15, 2023 or such greater or lesser amount as is indicated on the Schedule of Exchanges of Debentures on the other side of this Debenture.

Interest Payment Dates: May 15 and November 15 of each year, commencing on
- ---------- May 15, 2004

Record Dates: May 1 and November 1 of each year, commencing May 1, 2004
- ----------

This Debenture is convertible as specified in the Indenture dated as of November 10, 2003, among the Company, the Guarantors parties thereto and U.S. Bank National Association, as trustee. Additional provisions of this Debenture are set forth in the Indenture and on the other side of this Debenture.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

ACTUANT CORPORATION

By

Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

U.S. Bank National Association, as Trustee, certifies that this is one of the Securities referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By

Name:
Title:

REVERSE SIDE OF GLOBAL SECURITY

ACTUANT CORPORATION
2% Convertible Senior Subordinated Debentures due 2023

1. Interest

The Company promises to pay interest on the principal amount of this Debenture at the rate of 2% per annum. The Company shall pay interest semiannually on May 15 and November 15 of each year, commencing May 15, 2004. Interest on the Debentures shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from November 10, 2003; provided, however, that if there is not an existing default in the payment of interest and if this Debenture is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such Interest Payment Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Any reference herein to interest accrued or payable as of any date shall include any Contingent Interest payable pursuant to Section 4.1 of the Indenture (as defined below) and any Liquidated Damages accrued or payable on such date as provided in the Registration Rights Agreement.

2. Method of Payment

The Company shall pay interest on this Debenture (except defaulted interest) to the person who is the Holder of this Debenture at the close of business on May 1 or November 1, as the case may be, next preceding the related Interest Payment Date. The Holder must surrender this Debenture to a Paying Agent to collect payment of principal. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Notwithstanding the foregoing, so long as this Debenture is registered in the name of a Depositary or its nominee, all payments hereon shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee.

3. Paying Agent, Registrar and Conversion Agent

Initially, U.S. Bank National Association (the "Trustee", which term shall include any successor trustee under the Indenture hereinafter referred to) will act as Paying Agent, Registrar and Conversion Agent. The Company may change any Paying Agent, Registrar or Conversion Agent without notice to the Holder. The Company or any of its Subsidiaries may, subject to certain limitations set forth in the Indenture, act as Paying Agent or Registrar.

4. Indenture, Limitations

This Debenture is one of a duly authorized issue of Securities of the Company and guaranteed by certain subsidiaries of the Company (the "Guarantors"), designated as its 2% Convertible Senior Subordinated Debentures due 2023, issued under the Indenture. The terms of this Debenture include those stated in the Indenture and those required by or made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended, as in effect on the date of the Indenture. This Debenture is subject to all such terms, and the Holder of this Debenture is referred to the Indenture and said Act for a

statement of those terms. To the extent of any conflict between the terms of the Debentures and the Indenture, the applicable terms of the Indenture shall govern. The Debentures are entitled to the benefits of the Subsidiary Guarantees by the Guarantors made for the benefit of the Holders. Reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and obligations thereunder of the Trustees, the Holders and any Guarantors.

The Debentures are senior subordinated obligations of the Company limited to $150,000,000 aggregate principal amount.

5. Contingent Interest.

Commencing on November 15, 2010, the Company may make Contingent Interest payments on this Debenture at the times and under the circumstances described in Article 4 of the Indenture.

If payable, Contingent Interest shall be paid on last day of such Semi-annual Period.

6. Optional Redemption

The Debentures are subject to redemption at any time on or after November 20, 2010 as described in Article 3 of the Indenture.

No sinking fund is provided for the Debentures.

7. Purchase of Debentures at Option of Holder

On each Optional Purchase Date, at the option of the Holder and subject to the terms and conditions of Article 3 of the Indenture, the Company shall become obligated to purchase all or any part specified by the Holder of the Debentures.

At the option of the Holder and subject to the terms and conditions of Article 3 of the Indenture, the Company shall become obligated to purchase all or any part specified by the Holder of the Debentures held by such Holder after the occurrence of a Designated Event.

8. Conversion

A Holder of a Debenture may, subject to the terms and conditions of Article 5 of the Indenture, convert the principal amount of such Debenture (or any portion thereof equal to $1,000 or any integral multiple of $1,000 in excess thereof) into shares of Common Stock at any time prior to the close of business on the Business Day immediately preceding November 15, 2023 under the circumstances described in Article 5 of the Indenture.

On conversion of a Debenture, that portion of accrued and unpaid interest, including Contingent Interest, if any, on the converted Debenture attributable to the period from the most recent Interest Payment Date (or, if no Interest Payment Date has occurred, from November 10, 2003) through the date of conversion, and Tax Original Issue Discount accrued through the date of conversion with respect to the converted Debenture shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the

Holder thereof through delivery of the Common Stock (together with the Cash payment, if any, in lieu of fractional shares), in exchange for the Debenture being converted pursuant to the provisions hereof, and the fair market value of such shares of Common Stock (together with any such Cash payment in lieu of fractional shares) shall be treated as issued, to the extent thereof, first in exchange for accrued and unpaid interest (including Contingent Interest, if any), and Tax Original Issue Discount accrued through the date of conversion and the balance, if any, of such fair market value of such Common Stock (and any such Cash payment) shall be treated as issued in exchange for the principal amount of the Debenture being converted pursuant to the provisions hereof.

The Company agrees, and each Holder and any beneficial owner of a Debenture by its purchase or acceptance thereof shall be deemed to agree, to treat, for United States federal income tax purposes, the fair market value of the Common Stock received upon the conversion of a Debenture (together with any Cash payment in lieu of fractional shares) as a contingent payment on the Debenture for purposes of Treasury Regulation Section 1.1275-4(b).

9. Subordination

The Indebtedness evidenced by the Debentures is subject to the subordination provisions set forth in Article 6 of the Indenture.

10. Denominations, Transfer, Exchange

The Debentures are in registered form, without coupons, in denominations of $1,000 and integral multiples of $1,000. A Holder may register the transfer of or exchange Debentures in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes or other governmental charges that may be imposed in relation thereto by law or permitted by the Indenture.

11. Persons Deemed Owners

The Holder of a Debenture may be treated as the owner of it for all purposes.

12. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent will pay the money back to the Company at its written request, subject to applicable unclaimed property law. After that, Holders entitled to money must look to the Company for payment as general creditors unless an applicable abandoned property law designates another person.

13. Amendment, Supplement and Waiver

Subject to certain exceptions, the Indenture or the Debentures may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Debentures then outstanding, and an existing default or Event of Default and its consequence or compliance with any provision of the Indenture or the Debentures may be waived in a particular

instance with the consent of the Holders of a majority in aggregate principal amount of the Debentures then outstanding. Without the consent of or notice to any Holder, the Company, the Guarantors and the Trustee may amend or supplement the Indenture or the Debentures to, among other things, make any change that does not adversely affect the rights of any Holder.

14. Successor Entity

When a successor corporation assumes all the obligations of its predecessor under the Debentures and the Indenture in accordance with the terms and conditions of the Indenture, the predecessor corporation (except in certain circumstances specified in the Indenture) be released from those obligations.

15. Defaults and Remedies

If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of Debentures then outstanding may declare all the Debentures to be due and payable in the manner, at the time and with the effect provided in the Indenture. Certain events of bankruptcy and insolvency are Events of Default which will result in the Debentures being due and payable immediately upon the occurrence of such Events of Default. Holders of Debentures may not enforce the Indenture or the Debentures except as provided in the Indenture.

16. Registration Rights

The Holder of this Debenture is entitled to the benefits of a Registration Rights Agreement.

17. Trustee Dealings with the Company

U.S. Bank National Association, the Trustee under the Indenture, in its individual or any other capacity, may make loans to, accept deposits from and perform services for the Company or an Affiliate of the Company, and may otherwise deal with the Company or an Affiliate of the Company, as if it were not the Trustee.

18. No Recourse Against Others

A director, officer, employee or shareholder, as such, of the Company or of a Guarantor shall not have any liability for any obligations of the Company or of a Guarantor under the Debentures, the Indenture or the Subsidiary Guarantees, nor for any claim based on, in respect of or by reason of such obligations or their creation. The Holder of this Debenture by accepting this Debenture waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Debenture.

19. Authentication

This Debenture shall not be valid until the Trustee or an authenticating agent manually signs the certificate of authentication on the other side of this Debenture.

20. Abbreviations and Definitions

Customary abbreviations may be used in the name of the Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and UGMA (= Uniform Gifts to Minors Act).

All terms defined in the Indenture and used in this Debenture but not specifically defined herein are defined in the Indenture and are used herein as so defined.

21. Indenture To Control; Governing Law; Waiver of Jury Trial

In the case of any conflict between the provisions of this Debenture and the Indenture, the provisions of the Indenture shall control. This Debenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principals of conflicts of law.

EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE, THIS SECURITY OR THE TRANSACTION CONTEMPLATED HEREBY AND THEREBY, RESPECTIVELY.

The Company will furnish to any Holder, upon written request and without charge, a copy of the Indenture or the Registration Rights Agreement. Requests may be made to:

Actuant Corporation
6100 North Baker Road
Milwaukee, WI 53209,
Attention: Chief Financial Officer

ASSIGNMENT FORM

To assign this Debenture, fill in the form below:

I or we assign and transfer this Debenture to

- ---

(Insert assignee's Social Security or Tax I.D. Number)

- ---

- ---

- ---

- ---

- ---

(Print or type assignee's name, address and zip code)

and irrevocably appoint

- ---

agent to transfer this Debenture on the books of the Company. The agent may substitute another to act for him or her.

Your Signature:

Date: _____ _____

(Sign exactly as your name appears on the other side of this Debenture)

*Signature guaranteed by:

By: _____

* The signature must be guaranteed by an institution which is a member of

one of the following recognized signature guaranty programs: (i) the Securities Transfer Agent Medallion Program (STAMP); (ii) the New York Stock Exchange Medallion Program (MSP); (iii) the Stock Exchange Medallion Program (SEMP); or (iv) such other guaranty program acceptable to the Trustee.

CONVERSION NOTICE

To convert this Debenture into Common Stock of the Company, check the box: / /

To convert only part of this Debenture, state the principal amount to be converted (must be $1,000 or a integral multiple of $1,000): $_____

If you want the stock certificate made out in another person's name, fill in the form below:

- ---

(Insert assignee's Social Security or Tax I.D. Number)

- ---

- ---

- ---

- ---

- ---

(Print or type assignee's name, address and zip code)

Your Signature:

Date: _____ _____

(Sign exactly as your name appears on the other side of this Debenture)

*Signature guaranteed by:

By: _____

* The signature must be guaranteed by an institution which is a member of one of the following recognized signature guaranty programs: (i) the Securities Transfer Agent Medallion Program (STAMP); (ii) the New York Stock Exchange Medallion Program (MSP); (iii) the Stock Exchange Medallion Program (SEMP); or (iv) such other guaranty program acceptable to the Trustee.

SCHEDULE OF EXCHANGES OF NOTES

The following exchanges, redemptions, repurchases or conversions of a part of this global Debenture have been made:

<TABLE>
<CAPTION>

Principal Amount Of This Global Debenture Following Such decrease Date Of Exchange (Or Increase)	Authorized Signatory Of Securities Custodian	Amount Of Decrease In Principal Amount Of This Global Debenture	Amount Of Increase In Principal Amount Of This Global Debenture
<S>	<C>	<C>	<C>

</TABLE>

EXHIBIT B

[FORM OF FACE OF CERTIFICATED SECURITY]

FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THIS SECURITY IS BEING ISSUED WITH ORIGINAL ISSUE DISCOUNT AND THE ISSUE DATE OF THIS SECURITY IS NOVEMBER 10, 2003. IN ADDITION, THIS SECURITY IS SUBJECT TO UNITED STATES FEDERAL INCOME TAX REGULATIONS GOVERNING CONTINGENT PAYMENT DEBT INSTRUMENTS. FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE, THE ISSUE PRICE OF EACH SECURITY IS $1,000 PER $1,000 OF PRINCIPAL AMOUNT AND THE COMPARABLE YIELD IS 7.75%, COMPOUNDED SEMIANNUALLY (WHICH WILL BE TREATED AS THE YIELD TO MATURITY FOR UNITED STATES FEDERAL INCOME TAX PURPOSES).

ACTUANT CORPORATION (THE "COMPANY", WHICH TERM INCLUDES ANY SUCCESSOR THERETO) AGREES, AND BY ACCEPTING A BENEFICIAL OWNERSHIP INTEREST IN THIS SECURITY EACH HOLDER AND ANY BENEFICIAL OWNER OF THIS SECURITY WILL BE DEEMED TO HAVE AGREED, FOR UNITED STATES FEDERAL INCOME TAX PURPOSES (1) TO TREAT THIS SECURITY AS A DEBT INSTRUMENT THAT IS SUBJECT TO TREAS. REG. SEC. 1.1275-4 (THE "CONTINGENT PAYMENT REGULATIONS"), (2) TO TREAT THE FAIR MARKET VALUE OF ANY STOCK RECEIVED UPON ANY CONVERSION OF THIS SECURITY AS A CONTINGENT PAYMENT FOR PURPOSES OF THE CONTINGENT PAYMENT REGULATIONS, AND (3) TO ACCRUE INTEREST WITH RESPECT TO THE SECURITY AS ORIGINAL ISSUE DISCOUNT FOR UNITED STATES FEDERAL INCOME TAX PURPOSES ACCORDING TO THE "NONCONTINGENT BOND METHOD," SET FORTH IN THE CONTINGENT PAYMENT REGULATIONS, AND TO BE BOUND BY THE COMPANY'S DETERMINATION OF THE "COMPARABLE YIELD" AND "PROJECTED PAYMENT SCHEDULE," WITHIN THE MEANING OF THE CONTINGENT PAYMENT REGULATIONS, WITH RESPECT TO THIS SECURITY. THE COMPANY AGREES TO PROVIDE PROMPTLY TO THE HOLDER OF THIS SECURITY, UPON WRITTEN REQUEST, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT, ISSUE PRICE, ISSUE DATE, YIELD TO MATURITY, COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE. ANY SUCH WRITTEN REQUEST SHOULD BE SENT TO THE COMPANY AT THE FOLLOWING ADDRESS: CHIEF FINANCIAL OFFICER, ACTUANT CORPORATION, 6100 NORTH BAKER ROAD, MILWAUKEE, WI 53209.

THIS SECURITY AND THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY, THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN OR THEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE

ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OR THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS TWO YEARS AFTER THE LATER OF (x) THE ORIGINAL ISSUE DATE OF THIS SECURITY (OR, IF THE OVER-ALLOTMENT OPTION GRANTED TO THE INITIAL PURCHASERS OF THE SECURITIES WAS EXERCISED, THE ORIGINAL ISSUE DATE OF THE SECURITIES ISSUED UPON EXERCISE OF SUCH OPTION, IF LATER) AND (y) THE LAST DATE ON WHICH THE "COMPANY") OR ANY AFFILIATE (AS DEFINED IN RULE 144 OF THE SECURITIES ACT) OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE144A UNDER THE SECURITIES ACT THAT PURCHASES IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (D) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, INCLUDING UNDER RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL, AND SUBJECT TO THE RIGHTS OF THE COMPANY AND THE WITHIN MENTIONED TRUSTEE IN THE CASE OF ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

[THE HOLDER OF THIS SECURITY IS ENTITLED TO THE BENEFITS OF A REGISTRATION RIGHTS AGREEMENT (AS SUCH TERM IS DEFINED IN THE INDENTURE REFERRED

TO ON THE REVERSE HEREOF) AND, BY ITS ACCEPTANCE HEREOF, AGREES TO BE BOUND BY AND TO COMPLY WITH THE PROVISIONS OF SUCH REGISTRATION RIGHTS AGREEMENT.](3)

- --------
3 This paragraph should be included only if the Security is a Restricted Security.

ACTUANT CORPORATION
2% CONVERTIBLE SENIOR SUBORDINATED NOTES DUE 2023

No.
- ---
CUSIP: 00508XAA2
- -----
Issue Date: November 10, 2003
- ----------
Principal Amount: $150,000,000
- ----------------

Actuant Corporation, a Wisconsin corporation (the "Company", which term shall include any successor corporation under the Indenture referred to on the reverse hereof), promises to pay to Cede & Co., or registered assigns, the principal sum of ONE HUNDRED FIFTY MILLION DOLLARS ($150,000,000) on November 15, 2023 or such greater or lesser amount as is indicated on the Schedule of Exchanges of Debentures on the other side of this Debenture.

Interest Payment Dates: May 15 and November 15 of each year, commencing on
- ---------------------- May 15, 2004

Record Dates: May 1 and November 1 of each year, commencing May 1, 2004
- ------------

This Debenture is convertible as specified in the Indenture dated as of November 10, 2003, among the Company, the Guarantors parties thereto and U.S. Bank National Association, as trustee. Additional provisions of this Debenture are set forth in the Indenture and on the other side of this Debenture.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

ACTUANT CORPORATION

By

Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

U.S. Bank National Association, as Trustee, certifies that this is one of the Securities referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By

Authorized Signatory

[FORM OF REVERSE SIDE OF CERTIFICATED SECURITY IDENTICAL TO FORM OF REVERSE SIDE OF GLOBAL SECURITY ATTACHED HERETO AS EXHIBIT A]

EXHIBIT C

TRANSFER CERTIFICATE

Re: 2% Convertible Senior Subordinated Debentures due 2023 (the "Debentures") of Actuant Corporation

This certificate relates to $_____ principal amount of Debentures (the "Surrendered Securities") owned in (check applicable box)

/ / book-entry or / / definitive form by _____ _____ (the "Transferor").

The Transferor has requested a Registrar or the Trustee to exchange or register the transfer of such Surrendered Securities.

In connection with such request and in respect of each such Surrendered Securities, the Transferor does hereby certify that the Transferor is familiar with transfer restrictions relating to the Debentures as provided in Section 2.12 of the Indenture dated as of November 10, 2003 among Global Imaging Systems, Inc., certain subsidiaries of the Company, as guarantors, and U.S. Bank National Association, as trustee (the "Indenture"), and the transfer of such Surrendered Securities is being made pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act") or the transfer or exchange, as the case may be, of such Surrendered Securities does not require registration under the Securities Act because (check applicable box):

/ / The Surrendered Securities are being transferred pursuant to an effective registration statement under the Securities Act.

/ / The Surrendered Securities are being acquired for the Transferor's own account, without transfer.

/ / The Surrendered Securities are being transferred to the Company or a Subsidiary (as defined in the Indenture) of the Company.

/ / The Surrendered Securities are being transferred to a person the Transferor reasonably believes is a "qualified institutional buyer" (as defined in Rule 144A or any successor provision thereto ("Rule 144A") under the Securities Act) that is purchasing for its own account or for the account of a "qualified institutional buyer", in each case to whom notice has been given that the transfer is being made in reliance on such Rule 144A, and in each case in reliance on Rule 144A.

/ / The Surrendered Securities are being transferred pursuant to and in compliance with an exemption from the registration requirements under the Securities Act in accordance with Rule 144 (or any successor thereto) ("Rule 144") under the Securities Act.

The Surrendered Securities are being transferred pursuant to and in compliance with an exemption from the registration requirements of the Securities Act (other than an exemption referred to above) and as a result of which such Surrendered Securities will, upon such transfer, cease to be a "restricted security" within the meaning of Rule 144 under the Securities Act.

The Transferor acknowledges and agrees that, if the transferee will hold any such Surrendered Securities in the form of beneficial interests in a global Debenture which is a "restricted security" within the meaning of Rule 144 under the Securities Act, then such transfer can only be made pursuant to Rule 144A under the Securities Act and such transferee must be a "qualified institutional buyer" (as defined in Rule 144A).

Date: _____ _____
Name of Transferor

EXHIBIT D

OPTION TO ELECT REPURCHASE
[UPON A DESIGNATED EVENT]

To: Actuant Corporation

/ / The undersigned registered owner of this Debenture hereby irrevocably acknowledges receipt of a notice from Actuant Corporation (the "Company") of a Optional Repurchase Date and requests and instructs the Company to redeem the entire principal amount of this Debenture, or the portion thereof (which is $1,000 or an integral multiple thereof) below designated, in accordance with the terms of the Indenture referred to in this Debenture at the Optional Purchase Price, including accrued interest, Contingent Interest, if any, and Liquidated Damages, if any, up to, but excluding, such date, to the registered Holder hereof.

/ / The undersigned registered owner of this Security hereby irrevocably acknowledges receipt of a notice from the Company as to the occurrence of a Designated Event with respect to the Company and requests and instructs the Company to redeem the entire principal amount of this Security, or the portion thereof (which is $1,000 or an integral multiple thereof) below designated, in accordance with the terms of the Indenture referred to in this Security at the Designated Event Purchase Price, including accrued interest, Contingent Interest, if any, and Liquidated Damages, if any, up to, but excluding, such date, to the registered Holder hereof.

Dated: _____ _____

Signature(s)

Signature(s) must be guaranteed by a qualified guarantor institution with membership in an approved signature guarantee program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934.

Signature Guaranty

Principal amount to be redeemed
(in an integral multiple of $1,000, if less than all):

- ----------

NOTICE: The signature to the foregoing Election must correspond to the Name as written upon the face of this Security in every particular, without alteration or any change whatsoever.

EXHIBIT E

FORM OF SUPPLEMENTAL INDENTURE TO ADD GUARANTORS

This Supplemental Indenture, dated as of _____ (this "Supplemental Indenture"), among [NAME OF FUTURE GUARANTOR] (the "New Guarantor"), Actuant Corporation (together with its successors and assigns, the "Company"), each other then existing Guarantor under the Indenture referred to below (the "Guarantors"), and U.S. Bank National Association, as Trustee under the Indenture referred to below.

W I T N E S S E T H:

WHEREAS, the Company, the Guarantors and the Trustee have heretofore executed and delivered an Indenture, dated as of November 10, 2003

(as amended, supplemented, waived or otherwise modified, the "Indenture"), providing for the issuance of an aggregate principal amount of up to $150,000,000 of 2% Convertible Senior Subordinated Debentures due 2023 of the Company;

WHEREAS, Section 7.10 of the Indenture provides that the Company is required to cause certain Subsidiaries that are created or acquired after the date of the Indenture to execute and deliver to the Trustee a Supplemental Indenture pursuant to which such Subsidiary will fully and unconditionally guarantee, on a joint and several basis with the other Guarantors, the full and prompt payment of the Obligations of the Company under the Securities and the Indenture on a senior subordinated basis, and the performance of all other obligations of the Company to the Holders and the Trustee all in accordance with the terms set forth in Article 13 of the Indenture;

WHEREAS, pursuant to Section 12.1 of the Indenture, the Trustee, the Company and the Guarantors are authorized to execute and deliver this Supplemental Indenture to amend the Indenture, without the consent of any Holder;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the other Guarantors and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Securities as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Defined Terms. As used in this Supplemental Indenture, terms defined in the Indenture or in the preamble or recital hereto are used herein as therein defined, except that the term "Holders" in this Subsidiary Guarantee shall refer to the term "Holders" as defined in the Indenture and the Trustee acting on behalf or for the benefit of such holders. The words "herein," "hereof" and "hereby" and other words of similar import used

in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

ARTICLE II

AGREEMENT TO BE BOUND; GUARANTEE

Section 2.1 Agreement to be Bound. The New Guarantor hereby becomes a party to the Indenture as a Guarantor and as such will have all of the rights and be subject to all of the obligations and agreements of a Guarantor under the Indenture. The New Guarantor agrees to be bound by all of the provisions of the Indenture applicable to a Guarantor and to perform all of the obligations and agreements of a Guarantor under the Indenture.

Section 2.2 Guarantee. The New Guarantor hereby fully, unconditionally and irrevocably guarantees, as primary obligor and not merely as surety, jointly and severally with each other Guarantor, to each Holder of the Securities and the Trustee, the full and punctual payment when due, whether at maturity, upon redemption or repurchase, by declaration of acceleration or otherwise, of the obligations pursuant to Article 13 of the Indenture on basis consistent with Article 14 of the Indenture and subject to the terms and conditions of the Indenture.

ARTICLE III

MISCELLANEOUS

Section 3.1 Miscellaneous. All notices and other communications to the New Guarantor shall be given as provided in the Indenture to the New Guarantor, at its address set forth below, with a copy to the Company as provided in the Indenture for notices to the Company.

Address of New Guarantor:

[Name of New Guarantor]
[Address of New Guarantor]
Attention: [ ]
Facsimile No.: [ ]

Section 3.2 Parties. Nothing expressed or mentioned herein is intended or shall be construed to give any Person, firm or corporation, other than the Holders and the Trustee, any legal or equitable right, remedy or claim under or in respect of this Supplemental Indenture or the Indenture or any provision herein or therein contained.

Section 3.3 Governing Law. This Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

Section 3.4 Separability. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 3.5 Ratification of Indenture; Supplemental Indenture Part of Indenture; Trustee's Disclaimer. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Securities heretofore or hereafter authenticated and delivered shall be bound hereby. The Trustee makes no representation or warranty as to the validity or sufficiency of this Supplemental Indenture.

Section 3.6 Multiple Counterparts. The parties hereto may sign one or more copies of this Supplemental Indenture in counterparts, all of which together shall constitute one and the same agreement.

Section 3.7 Headings. The headings of the Articles and Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

[NEW GUARANTOR],
as a Guarantor

By:_____
Name:
Title:

ACTUANT CORPORATION

By:_____
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By:_____
Name:
Title:

[EACH THEN EXISTING GUARANTOR]

By:_____
Name:
Title:

EXHIBIT F

[FORM OF SUBSIDIARY GUARANTEE]

SUBSIDIARY GUARANTEE

Each of the undersigned (the "Guarantors"), jointly and severally unconditionally guarantee on a senior subordinated basis (such guarantee by each Guarantor being referred to herein as the "Subsidiary

Guarantee") (i) the due and punctual payment of the principal of and interest, Contingent Interest, if any, and Liquidated Damages, if any, on the Debentures, subject to any applicable grace period, whether at maturity, by acceleration or otherwise, the due and punctual payment of interest on the overdue principal and interest, if any, on the Debentures, to the extent lawful, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms set forth in Article 13 of the Indenture and (ii) in case of any extension of time of payment or renewal of any Debentures or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, subject to any applicable grace period, by acceleration or otherwise.

The obligations of each Guarantor to the Holders of Debentures and to the Trustee pursuant to the Subsidiary Guarantee and the Indenture are expressly set forth in Article 13 of the Indenture, and reference is hereby made to such Indenture for the precise terms of the Subsidiary Guarantee therein made.

No stockholder, officer, director, employee or incorporator, as such, past, present or future, of each Guarantor shall have any liability under the Subsidiary Guarantee by reason of his or its status as such stockholder, officer, director, employee or incorporator.

The Subsidiary Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Debentures upon which the Subsidiary Guarantee is noted shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized officers.

ACTUANT INVESTMENTS, INC.

By:

Name:
Title:

APPLIED POWER INVESTMENTS II, INC.

By:

Name:
Title:

CALTERM TAIWAN, INC.

By:

Name:
Title:

COLUMBUS MANUFACTURING, LLC

By:

Name:
Title:

ENGINEERED SOLUTIONS L.P.

By:

Name:
Title:

GB TOOLS AND SUPPLIES, INC.

By:

Name:
Title:

NEW ENGLAND CONTROLS, INC.

By:

Name:
Title:

NIELSEN HARDWARE CORPORATION

By:

Name:
Title:

VERSA TECHNOLOGIES, INC.

By:

Name:
Title:

VT HOLDINGS II, INC.

By:

Name:
Title:

$125,000,000
ACTUANT CORPORATION
2% CONVERTIBLE SENIOR SUBORDINATED DEBENTURES DUE 2023
REGISTRATION RIGHTS AGREEMENT

November 10, 2003

Wachovia Capital Markets, LLC
Goldman, Sachs & Co.
c/o Wachovia Capital Markets, LLC
One Wachovia Center
301 South College Street
Charlotte, North Carolina 28288-0604

Ladies and Gentlemen:

Actuant Corporation, a Wisconsin corporation (the "Company"), proposes to issue and sell to Wachovia Capital Markets, LLC and Goldman, Sachs & Co. (the "Initial Purchasers"), upon the terms set forth in a purchase agreement among the Company and each of the subsidiaries of the Company as listed on Schedule A hereto (each a "Guarantor" and, collectively, the "Guarantors" and, together with the Company, the "Companies") and the Initial Purchasers dated as of November 5, 2003 (the "Purchase Agreement"), $125,000,000 aggregate principal amount, plus an option (the "Option") to purchase up to an additional $25,000,000 aggregate principal amount, of its 2% Convertible Senior Subordinated Debentures due 2023 (the "Debentures"). The Debentures will be issued pursuant to an Indenture, dated as of November 10, 2003 (the "Indenture"), among the Company, the Guarantors, as guarantors, and U.S. Bank National Association, trustee (the "Trustee"). The obligations of the Company under the Debentures and the Indenture will be fully and unconditionally guaranteed (the "Guarantees" and, together with the Debentures, the "Securities") on an unsecured, senior subordinated basis by the Guarantors pursuant to the terms of the Indenture. The Securities will be convertible into shares of Common Stock, at the conversion price set forth in the Indenture, as adjusted from time to time pursuant to the terms of the Indenture (the shares of Common Stock issuable upon conversion of the Securities, the "Underlying Common Stock"). As an inducement to the Initial Purchasers to enter into the Purchase Agreement, the Companies agree with the Initial Purchasers, for the benefit of (i) the Initial Purchasers as Initial Purchasers and (ii) the beneficial owners (including the Initial Purchasers) from time to time of the Securities and of the Underlying Common Stock (each of the foregoing, a "Holder", and, collectively, the "Holders"), as follows:

1. Shelf Registration and Certain Definitions.

(a) The Companies shall prepare and file with the Securities and Exchange Commission (the "Commission") as soon as practicable but in no event later than 90 days (such 90th day being a "Filing Deadline") after November 10, 2003 (the "Closing Date"), a "shelf" registration statement on Form S-3 or on another appropriate form (the "Initial Shelf Registration Statement" and together with any Subsequent Shelf Registration Statement or New Shelf Registration Statement (each as defined below), including, in each case, the prospectus, amendments and supplements to such registration statements, including post-effective amendments, all exhibits and all materials incorporated by reference or deemed to be incorporated by reference in such registration statements, are herein collectively referred to as the "Shelf Registration Statement"), for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act of 1933, as amended (the "Securities Act") (the "Shelf Registration"), registering the resale from time to time by Holders thereof (who satisfy certain conditions relating to the provision of information in connection with the Shelf Registration Statement) of all of the Registrable Securities (as defined below) (the "Shelf Registration Statement"). The Shelf Registration Statement shall be on an appropriate form under the Securities Act permitting registration of such Registrable Securities for resale by such Holders from time to time in accordance with the methods of distribution elected by the Holders of Registrable Securities and set forth in the Shelf Registration Statement. The Companies shall use their reasonable best efforts to cause the Initial Shelf Registration Statement to be declared effective under the Securities Act as promptly as is practicable but in any event within 180 days after the Closing Date (the "Effectiveness Deadline Date"), provided that if any Securities are issued upon exercise of the Option granted to the Initial Purchasers in the Purchase Agreement, and the date or dates on which such Securities are issued occurs after the Closing Date, the Companies will take such reasonable steps, prior to the effective date of the Initial Shelf Registration Statement, to ensure that such Securities issued upon exercise of the Option and the Underlying Common Stock are included in the Shelf Registration Statement on the same terms as the Securities, and the related Underlying Common Stock, issued on the Closing Date. The Companies shall use their reasonable best efforts to keep the Initial Shelf Registration Statement, or any Subsequent Shelf Registration Statement, continuously effective under the Securities Act to permit the prospectus, forming a part thereof, to be used

lawfully by the Holders of the Registrable Securities, until the earliest of (i) the second anniversary of the date on which the Companies file the Shelf Registration Statement (or for such longer period if extended pursuant to Section 2(h) below), (ii) the date when all the Registrable Securities registered under the Shelf Registration Statement have been sold pursuant thereto or (iii) the date when all the Registrable Securities held by non-affiliates (as defined in Rule 144 under the Securities Act) are eligible to be sold to the public pursuant to Rule 144(k) under the Securities Act, or any successor rule thereof (such period, the "Effectiveness Period"). The Companies shall be deemed not to have used their reasonable best efforts to keep the Shelf Registration Statement effective during the requisite period if any of them voluntarily take any action that would result in Holders of Registrable Securities covered thereby not being able to offer and sell such Registrable Securities during that period, unless such action is required by applicable law. At the time the Initial Shelf Registration Statement is declared effective, each Holder of Registrable Securities who has provided the Company with a completed Notice and Questionnaire (as defined below) pursuant to Section 1(d) shall be named as a selling securityholder in the initial Shelf Registration Statement and the related prospectus in such a manner as to permit such Holder to deliver such prospectus to purchasers of Registrable Securities in accordance with applicable law. Other than the Holders of Registrable Securities, none of the

securityholders of the Companies have the right to include securities of any of the Companies' in the Shelf Registration Statement.

(b) If the Initial Shelf Registration Statement or any Subsequent Shelf Registration Statement ceases to be effective for any reason at any time during the Effectiveness Period (other than because all Registrable Securities registered thereunder have been resold pursuant thereto or have otherwise ceased to be Registrable Securities or otherwise as provided in Section 1(d)), the Companies shall use their reasonable best efforts to obtain the prompt withdrawal of any order suspending the effectiveness thereof, and in any event shall within 30 days of such cessation of effectiveness amend the Shelf Registration Statement in a manner reasonably expected to obtain the withdrawal of the order suspending the effectiveness thereof, or file an additional Shelf Registration Statement covering all of the securities that as of the date of such filing are Registrable Securities (a "Subsequent Shelf Registration Statement"). If a Subsequent Shelf Registration Statement is filed, the Companies shall use their reasonable best efforts to cause the Subsequent Shelf Registration Statement to become effective as promptly as is practicable after such filing and to keep such Subsequent Shelf Registration Statement continuously effective until the end of the Effectiveness Period.

(c) The Companies shall supplement and amend the Shelf Registration Statement if required by the rules, regulations or instructions applicable to the registration form used by the Companies for such Shelf Registration Statement, if required by the Securities Act or, to the extent to which the Companies do not reasonably object, as reasonably requested by (i) an Initial Purchaser in the event that it is participating in the Shelf Registration Statement or (ii) the Majority Holders.

(d) Each Holder of Registrable Securities agrees that if such Holder wishes to sell Registrable Securities pursuant to a Shelf Registration Statement and the related prospectus, it will do so only in accordance with this Section 1(d) and Section 2(g). Each Holder of Registrable Securities agrees that if such Holder wishes to sell Registrable Securities pursuant to a Shelf Registration Statement and the related prospectus, such Holder agrees to deliver a Notice and Questionnaire to the Companies. At the time the Shelf Registration Statement is declared effective, each Holder who has provided the Companies with an appropriately completed Notice and Questionnaire (as defined below), on or prior to the date five Business Days prior to such time of effectiveness, and who holds Registrable Securities shall be named as a selling securityholder in the Initial Shelf Registration Statement and the related prospectus in such a manner as to permit such Holder to deliver such prospectus to purchasers of Registrable Securities in accordance with applicable law. From and after the date the Initial Shelf Registration Statement is declared effective, the Companies shall, as promptly as practicable, and in any event no later than ten Business Days after the date a completed Notice and Questionnaire and other information as may have been reasonably requested by the Companies is delivered to the Company, as required by applicable law, prepare and file with the Commission a post-effective amendment to the Shelf Registration Statement or prepare and file a supplement to the related prospectus or a supplement or amendment to any document incorporated therein by reference or file any other document required under the Securities Act or, if required by applicable law upon advice of counsel, prepare and file a new Shelf Registration Statement combining, pursuant to Rule 429 under the Securities Act (or any successor rule), the information contained in the prospectus forming part of the existing Shelf Registration Statement (which may be the Initial Shelf Registration

Statement or any Subsequent Shelf Registration Statement) and the prospectus forming part of such new Shelf Registration Statement (for purposes of this Section 1(d), this new Shelf Registration Statement is referred to as the "New Shelf Registration Statement") so that the Holder of Registrable Securities that has delivered such Notice and Questionnaire is named as a selling securityholder in a Shelf Registration Statement and the related prospectus in such a manner as to permit the Holder to deliver a prospectus relating to an effective Registration Statement to purchasers of the Registrable Securities in accordance with applicable law. If the Companies, upon the advice of counsel, file a post-effective amendment to the Shelf Registration Statement or a New Shelf Registration Statement, they shall use their reasonable best efforts to cause such post-effective amendment or such New Shelf Registration Statement to be declared effective under the Securities Act as promptly as is practicable, but in any event by the date that is 60 days after the date any completed Notice and Questionnaire is delivered to the Company (the "Amendment Effectiveness Deadline"), provided that the Amendment Effectiveness Deadline shall be extended by 10 Business Days from the expiration of a Deferral Period (as defined below) if such Deferral Period is in effect on the Amendment Effectiveness Deadline; provided, further, that if under applicable law the Companies have more than one option as to the type or manner of making any such filing referred to in this Section 1(d), it will make the required filing or filings of a type or in the manner that is reasonably expected to result in the earliest availability of a prospectus necessary for effecting resales of Registrable Securities. The Companies shall also (i) provide any Notice Holder with copies of any documents filed pursuant to this Section 1(d) and (ii) notify any Notice Holder as promptly as practicable after the effectiveness under the Securities Act of any post-effective amendment or such New Shelf Registration Statement filed pursuant to this Section 1(d). If a Holder of Registrable Securities delivers a Notice and Questionnaire during a Deferral Period, the Companies shall so inform the Holder delivering such Notice and Questionnaire and shall take the actions set forth above upon expiration of the Deferral Period. Notwithstanding anything contained herein to the contrary, the Companies shall be under no obligation to name any Holder that has not submitted a Notice and Questionnaire to the Company as a selling securityholder in any Shelf Registration Statement or related prospectus.

(e) Notwithstanding any other provisions of this Agreement to the contrary, the Companies shall cause the Shelf Registration Statement and the related prospectus and any amendment or supplement thereto, as of the effective date of the Shelf Registration Statement and as of the date of filing any prospectus amendment or supplement, as applicable, (i) to comply in all material respects with the applicable requirements of the Securities Act and the rules and regulations of the Commission and (ii) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(f) As used in this Agreement, the following terms shall have the following meanings:

"Applicable Conversion Price" as of any date of determination means the Conversion Price (as defined in the Indenture) in effect as of such date of determination or, if no Securities are then outstanding, the Conversion Price that would be in effect were Securities outstanding on such date.

"Business Day" has the meaning set forth in the Indenture.

"Common Stock" means the shares of Class A common stock, $0.20 par value per share, of the Company and any other shares of common stock as may constitute Common Stock for purposes of the Indenture, including the Underlying Common Stock.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Majority Holders" means the Holders of Registrable Securities that hold a majority of the then outstanding aggregate principal amount of Securities registered under a Shelf Registration Statement, provided that holders of Underlying Common Stock shall, for purposes of this definition, be deemed to be holders of the aggregate principal amount of Securities from which such Common Stock was converted, and provided further that Securities or Underlying Common Stock which have been sold or otherwise transferred pursuant to the Shelf Registration Statement shall not be included in the calculation of Majority Holders.

"Notice and Questionnaire" means the Selling Securityholder Notice and Questionnaire substantially in the form of Exhibit A hereto.

"Notice Holder" means, on any date, any Holder that has delivered a fully completed and executed Notice and Questionnaire to

the Company on or prior to such date and holds Registrable Securities as of such date.

"Registrable Securities" means the Securities, until such Securities have been converted into or exchanged for the Underlying Common Stock and, at all times subsequent to any such conversion or exchange, the Underlying Common Stock and any securities into or for which such Underlying Common Stock have been converted or exchanged, and any security issued with respect thereto upon any stock dividend, split or similar event until, in the case of any such security, (A) the earliest of (i) its effective registration under the Securities Act and resale in accordance with the Shelf Registration Statement covering it, (ii) expiration of the holding period that would be applicable thereto under Rule 144(k) under the Securities Act were it not held by an "affiliate" (as defined in Rule 144 under the Securities Act or any successor rule thereof) of any of the Companies and (iii) its sale to the public pursuant to Rule 144, and (B) as a result of the event or circumstance described in any of the foregoing clauses (i) through (iii), the legends with respect to transfer restrictions required under the Indenture are removed or removable in accordance with the terms of the Indenture or such legend, as the case may be.

2. Registration Procedures. In connection with the Shelf Registration contemplated by Section 1 hereof, the following provisions shall apply:

(a) The Companies shall (i) furnish to the Initial Purchasers any Shelf Registration Statement and each amendment thereof and the related prospectus, and each amendment or supplement thereto and the Companies shall use all commercially reasonable efforts to reflect in the Shelf Registration Statement, when so filed with the Commission, such comments as the Initial

Purchasers reasonably may propose within a reasonable period of time and (ii) as required under the Securities Act, include information from the Notice and Questionnaire regarding the Notice Holders who propose to sell Registrable Securities, and the methods of distribution they have elected for their Registrable Securities, pursuant to the Shelf Registration Statement as selling securityholders.

(b) The Companies, as promptly as reasonably practicable (but in any event within two Business Days), shall give written notice to the Initial Purchasers and the Holders (which notice pursuant to clauses (ii) through (v) hereof shall be accompanied by an instruction to suspend the use of the prospectus related to any Shelf Registration Statement until the requisite changes have been made):

(i) when any Shelf Registration Statement or any amendment thereto or any prospectus or any prospectus supplement included therein has been filed with the Commission and when the Shelf Registration Statement or any post-effective amendment thereto has become effective;

(ii) of any request by the Commission for amendments or supplements to the Shelf Registration Statement or the prospectus included therein or for additional information;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Shelf Registration Statement or any order preventing or suspending the use of any prospectus included therein or the initiation or threat of any proceedings for that purpose;

(iv) of the receipt by the Companies or its legal counsel of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and

(v) of the happening of any event that requires the Companies to make changes in the Shelf Registration Statement or the prospectus so that, as of such date, neither the Shelf Registration Statement nor the related prospectus contains an untrue statement of a material fact nor omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the related prospectus, in light of the circumstances under which they were made) not misleading.

(c) The Companies shall use its reasonable best efforts to obtain the withdrawal, within the time period set forth in Section 1(b), of (i) any order suspending the effectiveness of the Shelf Registration Statement, (ii) any order preventing or suspending the use of a prospectus or (iii) the lifting of any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for offer or sale in any jurisdiction.

(d) The Companies shall furnish to the Initial Purchasers and each Holder of Registrable Securities included within the coverage of the Shelf Registration, without charge, at least one copy of the Shelf Registration Statement and any post-effective amendment thereto, including financial statements and schedules and, if such Holder requests, all exhibits thereto (including those, if any, incorporated by reference).

(e) The Companies shall, during the Effectiveness Period, deliver to the Initial Purchasers and to each Holder of Registrable Securities included within the coverage of the Shelf Registration (including any sales or placement agent acting on their behalf), without charge, as many copies of the prospectus (including each preliminary prospectus, if any) included in the Shelf Registration Statement and any amendment or supplement thereto as such person may reasonably request. The Companies consent, subject to the provisions of this Agreement, to the use of such prospectus or any amendment or supplement thereto by each of the selling Holders of the Registrable Securities in connection with the offering and sale of the Registrable Securities covered by the prospectus, or any amendment or supplement thereto, included in the Shelf Registration Statement.

(f) Prior to any public offering of the Registrable Securities pursuant to any Shelf Registration Statement the Companies shall register or qualify or cooperate with the Holders of the Registrable Securities included therein and their respective counsel in connection with the registration or qualification (or exemption from qualification) of the Registrable Securities for offer and sale under the securities or "blue sky" laws of such jurisdictions within the United States as any Holder of Registrable Securities reasonably requests in writing, shall maintain such qualification in effect so long as Registrable Securities are outstanding and do any and all other acts or things necessary or advisable to enable the offer and sale in such jurisdictions of the Registrable Securities covered by such Shelf Registration Statement; provided, however, that none of the Companies shall not be required to (i) qualify generally to do business in any jurisdiction where it is not then so qualified or (ii) take any action which would subject it to general service of process or to taxation in excess of a nominal amount in any jurisdiction where it is not then so subject.

(g) Upon the occurrence of any event contemplated by paragraphs (ii) through (v) of Section 2(b) above, the Companies shall promptly prepare and file with the Commission a post-effective amendment to the Shelf Registration Statement or an amendment or supplement to the related prospectus or file with the Commission any such other required document, as the case may be, so that, as thereafter delivered to Holders or purchasers of Registrable Securities, the Shelf Registration Statement and the related prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein (in the case of the related prospectus, in light of the circumstances under which they were made) not misleading. If the Companies notify the Initial Purchasers and the Holders of Registrable Securities in accordance with paragraphs (ii) through (v) of Section 2(b) above to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Initial Purchasers and the Holders of Registrable Securities shall suspend use of such prospectus (such period during which the availability of the Shelf Registration Statement and any related prospectus is suspended being a "Deferral Period"), and the period of effectiveness of the Shelf Registration Statement provided for in Section 1(a) above shall each be extended by the number of days from and including the date of the giving of such notice to and including the date when the Initial Purchasers and the Holders of Registrable Securities shall have received such amended or supplemented prospectus pursuant to this Section 2(g). The Companies will use their reasonable best efforts to ensure that the use of the prospectus related to an effective Shelf Registration Statement may be resumed as promptly as is practicable. The Companies shall be entitled to exercise their right under this Section 2(g) to suspend the availability of the Shelf Registration Statement or any related prospectus, without incurring or

accruing any obligation to pay Liquidated Damages pursuant to Section 5(a), for one or more periods not to exceed 30 days (or 60 days if a previously undisclosed proposed or pending material business transaction would be required to be disclosed in the Shelf Registration Statement and the prospectus contained therein) in any 3-month period and not to exceed, in the aggregate, 90 days in any 12-month period.

(h) Prior to the effective date of the Initial Shelf Registration Statement, the Companies will provide (i) the Holders a CUSIP number for the Registrable Securities and (ii) the Trustee with global certificates for the Securities in a form eligible for deposit with The Depository Trust Company.

(i) The Companies shall prepare and file with the Commission

such amendments and post-effective amendments to each Shelf Registration Statement as may be necessary to keep such Shelf Registration Statement continuously effective for the applicable period specified in Section 1(a) and shall cause the related prospectus to be supplemented by any required prospectus supplement to be filed pursuant to Rule 424 under the Securities Act (or any similar provisions then in force).

(j) The Companies will comply with all rules and regulations of the Commission to the extent and so long as they are applicable to the Shelf Registration Statement and will make generally available to its securityholders an earnings statement satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 under the Securities Act, no later than 45 days after the end of a 12-month period (or 90 days, if such period is a fiscal year) beginning with the first day of the Company's first fiscal quarter commencing after the effective date of the Shelf Registration Statement or each post-effective amendment to any Shelf Registration, which statement shall cover such 12-month period.

(k) The Companies shall cause the Indenture to be qualified under the Trust Indenture Act of 1939, as amended, not later than the effective date of the Initial Shelf Registration Statement containing such changes, if any, as shall be necessary for such qualification. In the event that such qualification would require the appointment of a new trustee under the Indenture, the Companies shall appoint a new trustee thereunder pursuant to the applicable provisions of the Indenture.

(l) The Companies may require each Holder of Registrable Securities to be sold pursuant to a Shelf Registration Statement to furnish to the Companies such information regarding such Holder and the distribution of the Registrable Securities that may from time to time be required by the Securities Act for inclusion in a Shelf Registration Statement, and the Companies may exclude from such registration the Registrable Securities of any Holder that unreasonably fails to furnish such information within a reasonable time after receiving such request.

(m) The Companies shall enter into such customary agreements and take all such other action as any Holder shall reasonably request in order to facilitate the disposition of the Registrable Securities pursuant to any Shelf Registration Statement.

(n) The Companies shall (i) make available, at reasonable times and in a reasonable manner, for inspection by the Notice Holders, any underwriter participating in any disposition pursuant to a Shelf Registration Statement and any attorney, accountant or other agent retained by the Notice Holders or any such underwriter, all relevant financial and other records, pertinent corporate documents and properties of the Companies and (ii) cause the officers, directors, employees, accountants, attorneys and auditors of the Companies to supply all relevant information reasonably requested by the Notice Holders or any such underwriter, attorney, accountant or agent in connection with the Shelf Registration Statement prior to its effectiveness, in each case, as shall be reasonably necessary to enable such persons, to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act; provided, however, that (i) the foregoing inspection and information gathering shall be coordinated on behalf of the Notice Holders and other parties, by one counsel designated by and on behalf of the Majority Holders and (ii) the Companies shall have no obligation to provide any information to any person that has not entered into an agreement in form reasonably satisfactory to the Company, providing that such person shall keep such information confidential and use such information only for due diligence purposes in connection with the Registration Statement.

(o) The Companies will use their reasonable best efforts to cooperate and assist in, and provide such information as is required for, any filings required to be made with the National Association of Securities Dealers, Inc.

(p) The Companies shall use their reasonable best efforts to take all other steps necessary to effect the registration of the Registrable Securities covered by a Shelf Registration Statement contemplated hereby.

(q) The Companies shall as promptly as practicable (if reasonably requested by any Notice Holder), incorporate in a prospectus supplement or post-effective amendment to the Shelf Registration Statement such information as such Notice Holder shall determine to be required to be included therein and make any required filings of such prospectus supplement or such post-effective amendment; provided that the Companies shall not be required to take any actions under this Section 2(q) that are not, in the reasonable opinion of counsel for the Companies, required by applicable law or regulation.

(r) The Companies shall cause the Underlying Common Stock to be reserved for issuance on the New York Stock Exchange.

3. Registration Expenses.

(a) All expenses incident to the Companies' performance of and compliance with this Agreement will be borne by the Companies, regardless of whether a Shelf Registration Statement is ever filed or becomes effective, including without limitation:

(i) all registration and filing fees and expenses;

(ii) all fees and expenses of compliance with federal securities and state "blue sky" or securities laws;

(iii) all expenses of printing, messenger and delivery services and telephone;

(iv) all fees and disbursements of counsel for the Companies;

(v) all application and filing fees in connection with listing the Underlying Common Stock on the New York Stock Exchange; and

(vi) all fees and disbursements of independent certified public accountants of the Companies.

(b) The Companies will bear their internal expenses (including, without limitation, all salaries and expenses of their respective officers and employees performing legal or accounting duties), the expenses of any annual audit and the fees and expenses of any person, including special experts, retained by the Companies.

(c) In connection with any Shelf Registration Statement required by this Agreement, the Companies will bear or reimburse the Notice Holders for the reasonable fees and disbursements of one firm of legal counsel, which shall initially be Sidley Austin Brown & Wood LLP, but which may, with the written consent of the Initial Purchasers (which consent shall not be unreasonably withheld), be another nationally recognized law firm experienced in securities law matters designated by the Companies.

4. Indemnification.

(a) The Companies, jointly and severally, agree to indemnify and hold harmless (i) the Initial Purchasers, (ii) each other Holder, (iii) each person, if any, who controls (within the meaning of Section 15 or Section 20 of the Exchange Act) the Initial Purchasers or such Holder, (iv) the respective officers, directors, employees, partners, representatives and agents of the persons referred to in clause (i), (ii) or (iii) (any person referred to in clause (i), (ii), (iii) or (iv) is collectively referred to for purposes of this Section 4 as a "Holder Indemnified Party") from and against any losses, claims, damages or liabilities, joint or several, or any actions in respect thereof (including, but not limited to, any losses, claims, damages, liabilities or actions relating to purchases and sales of the Registrable Securities) to which each Holder Indemnified Party may become subject, whether commenced or threatened, under the Securities Act, the Exchange Act, other federal, state or local law or regulation, at common law or otherwise, insofar as such losses, claims, damages, liabilities or actions arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in a Shelf Registration Statement or prospectus or in any amendment or supplement thereto or in any preliminary prospectus relating thereto, or arise out of, or are based upon, the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and shall reimburse, as incurred, the Holder Indemnified Parties for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action in respect thereof; provided, however, that (i) the Companies shall not be liable in any such case to the extent that such loss, claim, damage or liability arises out of or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made in the Shelf Registration Statement or prospectus or in any amendment or supplement thereto or in any preliminary prospectus relating to the Shelf Registration in reliance upon and in conformity with written information pertaining to a Holder and furnished to the Companies by or on behalf of such Holder specifically for inclusion therein and (ii) the

Companies shall not be liable to any Holder Indemnified Party with respect to any untrue statement or omission or alleged untrue statement or omission made in any preliminary prospectus relating to a Shelf Registration to the extent that any such loss, claim, damage or liability of such Holder Indemnified Party results from the fact that such Holder Indemnified Party sold Registrable Securities to a person as to whom it shall be established that there was not sent or given, at or prior to the written confirmation of such sale, a copy of the final prospectus relating to such Shelf Registration Statement in any case where such delivery is required by the Securities Act.

(b) Each Holder of Registrable Securities, severally and not jointly, will indemnify and hold harmless the Companies and their respective officers, directors, employees, representatives and agents and each person, if any, who controls the Company or any Guarantor within the meaning of Section 15 or Section 20 of the Exchange Act (collectively referred to for purposes of this Section 4 as the "Company Indemnified Party") from and against any losses, claims, damages or liabilities, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Shelf Registration Statement or Prospectus, or any amendment or supplement thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Shelf Registration Statement or Prospectus or any such amendment or supplement in reliance upon and in conformity with written information pertaining to such Holder and furnished to the Company by or on behalf of such Holder specifically for inclusion therein; and will reimburse the Company and the Guarantors for any legal or other expenses reasonably incurred by the Company and the Guarantors in connection with investigating or defending any such action or claim as such expenses are incurred; and, subject to the limitation set forth immediately preceding this clause, shall reimburse, as incurred, the Company Indemnified Party for any legal or other expenses reasonably incurred by such Company Indemnified Party in connection with investigating or defending any loss, claim, damage, liability or action in respect thereof. This indemnity agreement will be in addition to any liability which such Holder may otherwise have to the Company Indemnified Party.

(c) Promptly after receipt by an indemnified party under this Section 4 of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under this Section 4, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to any indemnified party under paragraph (a) or (b) above. In case any such action is brought against any indemnified party, and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under this Section 4 for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such

indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect any settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 4 is unavailable or insufficient to hold harmless an indemnified party under subsections (a) or (b) above in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities, or actions in respect thereof: (i) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party or parties or (ii) if the allocation provided for in the foregoing clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the indemnifying party or parties on the one hand and the indemnified party on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities (or actions in respect thereof) as well as any other relevant equitable considerations. The relative fault of the parties shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Companies on the one hand or a Holder, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Notwithstanding any other provision of this Section 4(d), the Holders of Registrable Securities shall not be required to contribute any amount in excess of the amount by which the net proceeds received by such Holders from the sale

of the Registrable Securities pursuant to a Shelf Registration Statement exceeds the amount of damages which such Holders have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this subsection (d), each person, if any, who controls such Holder Indemnified Party within the meaning of Section 15 or Section 20 of the Exchange Act shall have the same rights to contribution as such Holder Indemnified Party and each person, if any, who controls the Companies within the meaning of Section 15 or Section 20 of the Exchange Act shall have the same rights to contribution as the Companies.

(e) The agreements contained in this Section 4 shall survive the sale of the Registrable Securities pursuant to a Shelf Registration Statement and shall remain in full force and effect, regardless of any termination or cancellation of this Agreement or any investigation made by or on behalf of any indemnified party.

5. Liquidated Damages Under Certain Circumstances.

(a) The Companies and the Initial Purchasers agree that the Holders of Registrable Securities will suffer damages if the Companies fail to fulfill their obligations herein. Accordingly, liquidated damages (the "Liquidated Damages") with respect to the Registrable Securities shall be assessed as follows if any of the following events occur (each such event in clauses (i) through (iv) below being herein called a "Registration Default"):

(i) the Initial Shelf Registration Statement required by this Agreement is not filed with the Commission on or prior to the Filing Deadline;

(ii) the Initial Shelf Registration Statement required by this Agreement is not declared effective by the Commission on or prior to the Effectiveness Deadline Date;

(iii) the Companies have failed to perform their obligations set forth in Section 1(d) within the time period required therein; or

(iv) any Shelf Registration Statement required by this Agreement has been declared effective by the Commission but (A) such Shelf Registration Statement ceases to be effective (without being succeeded immediately by an additional Shelf-Registration Statement filed and declared effective) or (B) the Shelf Registration Statement and the related prospectus ceases to be useable in connection with resales of Registrable Securities during periods specified herein (other than during a Deferral Period) and the Companies do not cure the default and make the Shelf Registration Statement and the prospectus useable within ten Business Days or, if applicable, the Companies do not terminate the Deferral Period within the time provided for in the last sentence of Section 2(h).

Each of the foregoing will constitute a Registration Default whatever the reason for any such event and whether it is voluntary or involuntary or is beyond the control of the Companies or pursuant to operation of law or as a result of any action or inaction by the Commission.

(b) Liquidated Damages shall accrue on the Registrable Securities over and above the interest set forth in the title of the Registrable Securities from and including the date on which any such Registration Default shall occur to but excluding the date on which all such Registration Defaults have been cured, at a rate of 0.50% per annum (the "Liquidated Damages Rate") of the aggregate principal amount of the Securities that are Registrable Securities. In the case of Securities that have been converted into or exchanged for Underlying Common Stock, during the occurrence of a Registration Default, Liquidated Damages shall not be paid to the Holders, but upon conversion such Holder shall receive the numbers of shares of Underlying Common Stock equal to the product of (i) the shares that such Holder would have received based upon the Applicable Conversion Rate absent a Registration Default and (ii) 1.03. In the case of Securities that have been converted into or exchanged for Underlying Common Stock, prior to the occurrence of a Registration Default, such Holder shall not be entitled to Liquidated Damages or additional shares of Underlying Common Stock. In the case of Liquidated Damages accruing solely as a result of a Registration Default of the type described in Section 5(a)(iii), such Liquidated Damages shall be paid only to the Notice Holders that caused the Companies to incur the obligations set forth in Section 1(d) the non-performance of which is the basis of such Registration Default. Any Liquidated Damages accrued with

respect to any principal amount of Securities called for redemption on a

redemption date or converted into Underlying Common Stock on a conversion date prior to the interest payment date with respect to such Securities under the Indenture, shall, in any such event, be paid instead to the Holder who submitted such Securities for redemption or conversion on the applicable redemption date or conversion date, as the case may be, on such date (or promptly following the conversion date, in the case of conversion). Notwithstanding the foregoing, no Liquidated Damages shall accrue as to any Registrable Security from and after the earlier of (x) the date such security is no longer a Registrable Security and (y) the expiration of the Effectiveness Period. The rate of accrual of the Liquidated Damages with respect to any period shall not exceed the rate provided for in this paragraph notwithstanding the occurrence of multiple concurrent Registration Defaults. Following the cure of all Registration Defaults requiring the payment by the Companies of Liquidated Damages to the Holders of Registrable Securities pursuant to this Section 5, the accrual of Liquidated Damages will cease (without in any way limiting the effect of any subsequent Registration Default requiring the payment of Liquidated Damages by the Companies).

(c) The Trustee shall be entitled, on behalf of Holders of Registrable Securities, to seek any available remedy for the enforcement of this Agreement, including for the payment of any Liquidated Damages.

(d) All of the Companies' obligations set forth in this Section 5 that are outstanding with respect to any Registrable Security at the time such security ceases to be a Registrable Security shall survive until such time as all such obligations with respect to such security have been satisfied in full.

(e) The parties hereto agree that the Liquidated Damages provided for in this Section 5 constitutes a reasonable estimate of the damages that may be incurred by Holders of Registrable Securities by reason of the failure of the Shelf Registration Statement to be filed or declared effective or available for effecting resales of Registrable Securities in accordance with the provisions hereof.

(f) Any amounts of Liquidated Damages due pursuant to Section 5(a) will be payable in cash on the regular interest payment dates with respect to the Registrable Securities. The amount of Liquidated Damages will be determined by multiplying the applicable Liquidated Damages Rate by the principal amount of the Registrable Securities or the Applicable Conversion Price of the Registrable Securities, as applicable, and further multiplied by a fraction, the numerator of which is the number of days such Liquidated Damages Rate was applicable during such period (determined on the basis of a 360-day year comprised of twelve 30-day months), and the denominator of which is 360. The Registrable Securities entitled to payment of Liquidated Damages shall be determined as of the Business Day immediately preceding the next regular interest payment date with respect to the Registrable Securities.

6. Rules 144 and 144A. The Companies shall use their reasonable best efforts to file the reports required to be filed by it under the Securities Act and the Exchange Act in a timely manner. If at any time the Companies are not required to file such reports, they will, upon the request of any Holder or beneficial owner of Registrable Securities, make available such

other information required by Rule 144(d)(4) under the Securities Act necessary to permit sales of their securities pursuant to Rule 144A. The Companies covenant that they will take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rules 144 and 144A (including the requirements of Rule 144A(d)(4)). The Companies will provide a copy of this Agreement to prospective purchasers of Securities identified to the Companies by the Initial Purchasers upon request. Upon the request of any Holder of Securities, the Companies shall deliver to such Holder a written statement as to whether it has complied with such filing requirements. Notwithstanding the foregoing, nothing in this Section 6 shall be deemed to require the Companies to register any of its securities pursuant to the Exchange Act.

7. Underwritten Registrations.

(a) If any of the Registrable Securities covered by any Shelf Registration are to be sold in an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Majority Holders whose Registrable Securities are to be included in such offering, provided, however, that such underwriters shall be reasonably satisfactory to the Company and the Companies shall not be responsible for or pay for any of the fees, expenses and commissions provided to such underwriters.

(b) No person may participate in any underwritten registration hereunder unless such person (i) agrees to sell such person's Registrable Securities on the basis reasonably provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (ii)

completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

8. Miscellaneous.

(a) Holders Obligations. Each Holder agrees, by acquisition of the Registrable Securities, that no Holder of Registrable Securities shall be entitled to sell any of such Registrable Securities pursuant to any Shelf Registration Statement or to receive a prospectus relating thereto, unless such Holder has furnished the Company with a Notice and Questionnaire as required pursuant to Section 1(d) hereof and the information set forth in the next sentence. Each Notice Holder agrees promptly to furnish to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such Notice Holder not misleading and any other information regarding such Notice Holder and the distribution of such Registrable Securities as the Company may from time to time reasonably request. Any sale of any Registrable Securities by any Holder shall constitute a representation and warranty by such Holder that the information relating to such Holder and its plan of distribution is as set forth in the prospectus delivered by such Holder in connection with such disposition, that such prospectus does not as of the time of such sale contain any untrue statement of a material fact relating to or provided by such Holder or its plan of distribution and that such prospectus does not as of the time of such sale omit to state any material fact relating to or provided by such Holder or its plan of distribution necessary to

make the statements in such prospectus, in the light of the circumstances under which they were made, not misleading.

(b) Remedies. The Companies acknowledge and agree that any failure by the Companies to comply with its obligations under Section 1 and 2 hereof may result in material irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may obtain such relief as may be required to specifically enforce the Companies' obligations under Sections 1 and 2 hereof. The Companies further agree to waive the defense in any action for specific performance that a remedy at law would be adequate.

(c) No Inconsistent Agreements. The Companies will not on or after the date of this Agreement enter into any agreement with respect to its securities that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof. Each of the Companies represent and warrant that the rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the securities of any of the Companies under any agreement in effect on the date hereof.

(d) Amendments and Waivers. The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, except by the Companies and the written consent of the Majority Holders affected by such amendment, modification, supplement, waiver or consents, provided, however, with respect to any matter that directly or indirectly affects the rights of the Initial Purchasers, the Companies shall obtain the written consent of the Initial Purchasers against which such amendment, qualification, supplement, waiver or consent is to be effective. Notwithstanding the foregoing (except the foregoing proviso), a waiver or consent to departure from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders whose Registrable Securities are being sold pursuant to a Shelf Registration Statement and that does not directly or indirectly affect the rights of other Holders may be given by the Majority Holders, determined on the basis of the Registrable Securities being sold rather than registered under such Shelf Registration Statement or owned.

(e) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, first-class mail, facsimile transmission, or air courier that guarantees overnight delivery:

(1) if to a Holder of the Registrable Securities, at the most current address of such Holder maintained by the registrar under the Indenture or the Company's registrar and transfer agent of the Common Stock or, in the case of a Notice Holder, the address set forth in such Holder's Notice and Questionnaire;

(2) if to the Initial Purchasers:

Wachovia Capital Markets, LLC
53 Forest Avenue

Old Greenwich, CT 06870
Fax No.: (203) 698-2368
Attention: Martin Alvarez

with a copy to:

Sidley Austin Brown & Wood LLP
555 California Street
San Francisco, CA 94104
Fax No.: 415-397-4621
Attention: Eric S. Haueter

(3) if to the Companies, at the address as follows:

Actuant Corporation
6100 North Baker Road
Milwaukee, WI 53209
Fax No.: (414) 247-5550
Attention: Andrew G. Lampereur

with a copy to:

McDermott, Will & Emery
227 West Monroe
Suite 300
Chicago, IL 60606-5096
Fax No.: 312-984-3408
Attention: Helen R. Friedli, P.C.

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; three business days after being deposited in the mail, postage prepaid, if mailed; when receipt is acknowledged by recipient's facsimile machine operator, if sent by facsimile transmission; and on the day delivered, if sent by overnight air courier guaranteeing next day delivery.

(f) Third-Party Beneficiaries. The Holders shall be third-party beneficiaries to the agreements made hereunder between the Companies, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements directly to the extent they may deem such enforcement necessary or advisable to protect their rights or the rights of Holders hereunder.

(g) Successors and Assigns. This Agreement shall be binding upon the Companies and its successors and assigns.

(h) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of

which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(i) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(j) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS.

(k) Severability. If any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(l) Securities Held by the Companies. Whenever the consent or approval of Holders of a specified percentage of principal amount of Registrable Securities is required hereunder, Registrable Securities held by the Companies or their affiliates (as such term is defined in Rule 405 under the Securities Act), other than subsequent Holders of Registrable Securities if such subsequent Holders are deemed to be affiliates solely by reason of their holdings of such Registrable Securities, shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Initial Purchasers a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Initial Purchasers and the Companies in accordance

with its terms.

Very truly yours,

ACTUANT CORPORATION

By _____
Name:
Title:

ACTUANT INVESTMENTS, INC.

By _____
Name:
Title:

APPLIED POWER INVESTMENTS II, INC.

By _____
Name:
Title:

CALTERM TAIWAN, INC.

By _____
Name:
Title:

COLUMBUS MANUFACTURING, LLC

By _____
Name:
Title:

ENGINEERED SOLUTIONS L.P.

By _____
Name:
Title:

GB TOOLS AND SUPPLIES, INC.

By _____
Name:
Title:

NEW ENGLAND CONTROLS, INC.

By _____
Name:
Title:

NIELSEN HARDWARE CORPORATION

By _____
Name:
Title:

VERSA TECHNOLOGIES, INC.

By _____
Name:
Title:

VT HOLDINGS II, INC.

By _____
Name:
Title:

The foregoing Registration Rights Agreement is hereby confirmed and accepted as of the date first above written.

WACHOVIA CAPITAL MARKETS, LLC

By _____
Name:
Title:

SCHEDULE A

Guarantors

ACTUANT INVESTMENTS, INC.
APPLIED POWER INVESTMENTS II, INC.
CALTERM TAIWAN, INC.
COLUMBUS MANUFACTURING, LLC
ENGINEERED SOLUTIONS L.P.
GB TOOLS AND SUPPLIES, INC.
NEW ENGLAND CONTROLS, INC.
NIELSEN HARDWARE CORPORATION
VERSA TECHNOLOGIES, INC.
VT HOLDINGS II, INC.

To include each such subsidiary of the Company that becomes a Guarantor after the date hereof pursuant to the terms of the Indenture.

Exhibit 5

A Partnership Including
Professional Corporations
227 West Monroe Street
Chicago, IL 60606-5096
312-372-2000
Facsimile 312- 984-7700
http://www.mwe.com

Boston
Chicago
London
Los Angeles
Miami
Moscow
Orange County
New York
Silicon Valley
Vilnius
Washington, D.C.

MCDERMOTT, WILL & EMERY

February 27, 2004

Actuant Corporation
6100 North Baker Road
Milwaukee, WI 53209

Re: Actuant Corporation Registration Statement on Form S-3

Ladies and Gentlemen:

This opinion is furnished to you in connection with the registration statement on Form S-3 (the "Registration Statement") filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act"), for the registration of $150,000,000 aggregate principal amount of 2% Convertible Senior Subordinated Debentures due 2023 (the "Debentures") of Actuant Corporation, a Wisconsin corporation (the "Company"), which are convertible into shares of the Company's common stock, $0.20 par value per share (the "Common Stock"). The Debentures are guaranteed by certain subsidiaries of the Company identified on Exhibit A hereto (the "Guarantees"). The Debentures were issued under an Indenture dated as of November, 2004 (the "Indenture") between the Company and U.S. Bank National Association, as trustee.

We have examined the Registration Statement, the Indenture, the registration rights agreement referenced in the Registration Statement, the forms of the Debentures and Guarantees, and other documents we have deemed necessary to enable us to express the opinion set forth below. In addition, we have examined and relied, to the extent we deemed proper, on certificates of officers of the Company as to factual matters, and on originals or copies certified or otherwise identified to our satisfaction, of all corporate records of the Company, instruments and certificates of public officials and other persons that we deemed appropriate. In our examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to

the original documents of all documents submitted to us as copies, the genuineness of all signatures on documents reviewed by us and the legal capacity of natural persons. In addition, we have assumed that each of the Guarantees has been duly authorized by all necessary corporate action, and has been validly executed and delivered, by the subsidiary granting the Guarantee.

We express no opinion as to the applicability of, compliance with or effect of, the law of any jurisdiction other than the federal laws of the United States, the laws of the State of New York and the General Corporation Law of the State of Delaware.

Based upon and subject to and limited by the foregoing, we are of the opinion that:

1. The Debentures are valid and legally binding obligations of the Company, except that the enforceability thereof may be limited by or subject to bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium or other similar laws now or hereafter existing which affect the rights and remedies of creditors generally and equitable principles of general applicability.

2. The Guarantees are valid and legally binding obligations of the subsidiary of the Company granting such Guarantee, except that the enforceability thereof may be limited by or subject to bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium or other similar laws now or hereafter existing which affect the rights and remedies of creditors

generally and equitable principles of general applicability.

We hereby consent to the reference to our firm under the caption "Legal Matters" in the Registration Statement and to the use of this opinion as an exhibit to the Registration Statement. In giving this consent, we do not hereby admit that we come within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Securities and Exchange Commission thereunder.

Very truly yours,

/s/ McDermott, Will and Emery

EXHIBIT A

GUARANTORS

Applied Power Investments II, Inc...
Engineered Solutions L.P.
GB Tools and Supplies, Inc.
Versa Technologies, Inc.

[QUARLES & BRADY LLP LETTERHEAD]

February 27, 2004

Actuant Corporation
6100 N. Baker Road
Milwaukee, WI 53209

Re: Actuant Corporation
2% Convertible Senior Subordinated Debentures due 2023

Ladies and Gentlemen:

We have acted as special Wisconsin counsel to Actuant Corporation, a Wisconsin corporation (the "Company"), in connection with the registration statement on Form S-3 (the "Registration Statement") filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act"), for the registration of $150,000,000 aggregate principal amount of 2% Convertible Senior Subordinated Debentures due 2023 (the "Debentures" or the "Securities") of the Company, which are convertible into shares of the Company's common stock, $0.20 par value per share (the "Common Stock"). The Debentures are guaranteed by certain subsidiaries of the Company (the "Guarantees") identified on Exhibit II to the Purchase Agreement, dated November 5, 2003 ("Purchase Agreement"). The Debentures were issued under an Indenture dated as of November 10, 2003 (the "Indenture") between the Company and U.S. Bank National Association, as trustee. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Purchase Agreement.

In rendering this opinion, we have examined and relied as to factual matters upon certain certificates, questionnaires, and other documents prepared and executed by officers of the Company and of GB Tools and Supplies, Inc., a Wisconsin corporation ("GB Tools"), and Columbus Manufacturing, LLC, a Wisconsin limited liability company ("Columbus"), each a subsidiary of the Company and a Guarantor, and upon originals or copies, certified or otherwise, identified to our satisfaction, of such records, documents, certificates, and other instruments, including, but not limited to, the articles of incorporation and bylaws of each of the Company and GB Tools, the Operating Agreement and Articles of Organization of Columbus, and certain minutes of the proceedings of the boards of directors and committees and shareholders and members of the Company, GB Tools and Columbus, and have made such other investigations and reviewed such other documents, as in our judgment are necessary or appropriate to enable us to render the opinions expressed below. In addition, we have reviewed executed copies of the Purchase Agreement, the Indenture and the Registration Rights Agreement (collectively, the "Transaction Documents"), a copy of the executed

certificate representing the Securities, together with an executed copy of the Guarantees endorsed on such certificate, and the Offering Memorandum.

In all such examinations, we have assumed: (i) the genuineness of each signature on all documents that we have examined; (ii) the completeness and authenticity of each document submitted to us; (iii) the conformity to the original of each document submitted to us as a copy; and (iv) the absence of any fraud in connection with any of the transactions contemplated by the Transaction Documents.

In rendering the opinions expressed below, we relied, as noted above, upon certificates, questionnaires and other documents of the Company, GB Tools and Columbus given by certain of their respective officers as to certain factual matters and on certificates of public officials. We believe that we are justified in relying upon such certificates, questionnaires and other documents.

The opinions set forth herein are based upon the laws of the State of Wisconsin and no opinion is expressed as to the laws of any other jurisdiction.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Company is validly existing, and is in active status under the laws of the State of Wisconsin. As of January 1, 1991, the State of Wisconsin no longer recognizes the concept of "good standing" for corporations. We have received a certificate of status from the Wisconsin Department of Financial Institutions for the Company which is conclusive evidence of its existence.

2. Each of GB Tools and Columbus is validly existing as a corporation or limited liability company, as the case may be, and is in active status under the laws of the State of Wisconsin.

3. The Securities have been duly authorized and issued by the Company and constitute valid and binding obligations of the Company and the Guarantees have been duly authorized and issued by GB Tools and Columbus, respectively, and constitute valid and binding obligations of GB Tools and Columbus, respectively, subject to (a) bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other similar laws now or hereafter in effect relating to or affecting creditors' rights generally, (b) general principles of equity (regardless of whether considered in a proceeding at law or in equity), and (c) the qualification that the remedy of specific performance and injunctive or other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding may be brought.

4. The Common Stock which may from time to time be issued upon conversion of the Securities, when issued in accordance with the provisions of the Securities and the Indenture, will be validly issued, fully paid and nonassessable, subject to the personal liability which may be imposed on shareholders by Section 180.0622(2)(b) of the Wisconsin Business Corporation

Law, as judicially interpreted, for debts owing to employees for services performed, but not exceeding six months service in any one case.

This opinion deals only with the specific legal issues that it explicitly addresses and no opinions shall be implied as to matters not so addressed.

This opinion is given as of the date hereof, it is intended to apply only to those facts and circumstances which exist as of the date hereof, and we assume no obligation or responsibility to update or supplement this opinion to reflect any facts or circumstances which may hereafter come to our attention, any changes in laws which may hereafter occur, or to inform the addressee of any change in circumstances occurring after the date of this opinion which would alter the opinions rendered herein.

This opinion letter is intended solely for your benefit and it may not be relied upon, referred to or otherwise used by any other person or entity without our express written consent. Subject to the foregoing, this opinion letter may be relied upon by you only in connection with the transactions contemplated by the Transaction Documents, and may not be used or relied upon by you or any other person or entity for any other purpose whatsoever without in each instance our prior written consent.

Members of this firm providing services to the Company own Common Stock in the Company.

We consent to the filing of this opinion as an exhibit to this Registration Statement and to the reference to our firm under the caption "Legal Matters" in the prospectus constituting a part thereof. In giving our consent, we do not admit that we are "experts" within the meaning of Section 11 of the Act, or that we come within the category of persons whose consent is required by Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Quarles & Brady LLP

QUARLES & BRADY LLP

EXHIBIT 12.1

<TABLE>
<CAPTION>

	QUARTER ENDED NOVEMBER 30, 2003	YEARS ENDED AUGUST 31, 2003	2002	2001	2000	1999
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Pretax income from continuing operations, as reported	$ 809	$ 45,117	$ 22,910	$ 40,772	$ 47,533	$ 57,410
Adjustments:						
Fixed charges	4,603	22,249	34,022	50,176	38,488	42,051
Reclassify loss on early extinguishment of debt out of extraordinary					(24,600)	
Pretax income from continuing operations, as adjusted	5,412	67,366	56,932	90,948	61,421	99,461
Fixed charges:						
Interest expense, net	4,391	21,430	32,723	49,199	37,670	41,181
Interest income	27	145	726	448	158	36
Interest component of rent expense	185	674	573	529	660	834
	4,603	22,249	34,022	50,176	38,488	42,051
EARNINGS TO FIXED CHARGES RATIO	1.2	3.0	1.7	1.8	1.6	2.4

</TABLE>

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated September 26, 2003, except as to the stock split discussed in Note 17, for which the date is October 21, 2003 relating to the financial statements, which appears in Actuant Corporation's Annual Report on Form 10-K/A for the year ended August 31, 2003. We also consent to the incorporation by reference of our report dated September 26, 2003 relating to the financial statement schedule, which appears in such Annual Report on Form 10-K/A. We also consent to the reference to us under the heading of "Experts" in such Registration Statement.

PricewaterhouseCoopers LLP
Milwaukee, Wisconsin
February 26, 2004

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER
THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE
Check if an Application to Determine Eligibility of
a Trustee Pursuant to Section 305(b)(2)

U.S. BANK NATIONAL ASSOCIATION
(Exact name of Trustee as specified in its charter)

31-0841368
I.R.S. Employer Identification No.

800 Nicollet Mall Minneapolis, Minnesota	55402
(Address of principal executive offices)	(Zip Code)

Richard Prokosch
U.S. Bank National Association
60 Livingston Avenue
St. Paul, MN 55107
(651) 495-3918
(Name, address and telephone number of agent for service)

Actuant Corporation
(Issuer with respect to the Securities)

Wisconsin	36-0168610
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6100 North Baker Road Milwaukee, WI	53209
(Address of Principal Executive Offices)	(Zip Code)

2% CONVERTIBLE SENIOR SUBORDINATED DEBENTURES DUE 2023
(TITLE OF THE INDENTURE SECURITIES)

FORM T-1

ITEM 1. GENERAL INFORMATION. Furnish the following information as to the Trustee.

a) Name and address of each examining or supervising authority to which it is subject.
Comptroller of the Currency
Washington, D.C.

b) Whether it is authorized to exercise corporate trust powers.
Yes

ITEM 2. AFFILIATIONS WITH OBLIGOR. If the obligor is an affiliate of the Trustee, describe each such affiliation.
None

ITEMS 3-15 Items 3-15 are not applicable because to the best of the Trustee's knowledge, the obligor is not in default under any Indenture for which the Trustee acts as Trustee.

ITEM 16. LIST OF EXHIBITS: List below all exhibits filed as a part of this statement of eligibility and qualification.

1. A copy of the Articles of Association of the Trustee.*

2. A copy of the certificate of authority of the Trustee to commence business.*

3. A copy of the certificate of authority of the Trustee to exercise corporate trust powers.*

4. A copy of the existing bylaws of the Trustee.*

5. A copy of each Indenture referred to in Item 4. Not applicable.

6. The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939, attached as Exhibit 6.

7. Report of Condition of the Trustee as of December 31, 2003, published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7.

* Incorporated by reference to Registration Number 333-67188.

NOTE

The answers to this statement insofar as such answers relate to what persons have been underwriters for any securities of the obligors within three years prior to the date of filing this statement, or what persons are owners of 10% or more of the voting securities of the obligors, or affiliates, are based upon information furnished to the Trustee by the obligors. While the Trustee has no reason to doubt the accuracy of any such information, it cannot accept any responsibility therefor.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the Trustee, U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of St. Paul, State of Minnesota on the 20th day of February, 2004.

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Richard Prokosch

Richard Prokosch
Vice President

By: /s/ Benjamin J. Krueger

Benjamin J. Krueger
Trust Officer

EXHIBIT 6

CONSENT

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned, U.S. BANK NATIONAL ASSOCIATION hereby consents that reports of examination of the undersigned by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Dated: February 20, 2004

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Richard Prokosch

Richard Prokosch
Vice President

By: /s/ Benjamin J. Krueger

Benjamin J. Krueger
Trust Officer

EXHIBIT 7

U.S. BANK NATIONAL ASSOCIATION
STATEMENT OF FINANCIAL CONDITION
AS OF 12/31/2003

($000'S)

	12/31/2003
ASSETS	
Cash and Due From Depository Institutions	$8,631,361
Federal Reserve Stock	0
Securities	42,963,396
Federal Funds	2,585,353
Loans & Lease Financing Receivables	114,718,888
Fixed Assets	1,911,662
Intangible Assets	10,254,736
Other Assets	8,093,654
TOTAL ASSETS	$189,159,050
LIABILITIES	
Deposits	$128,249,183
Fed Funds	5,098,404
Treasury Demand Notes	3,585,132
Trading Liabilities	213,447
Other Borrowed Money	21,664,023
Acceptances	123,996
Subordinated Notes and Debentures	5,953,524
Other Liabilities	5,173,011
TOTAL LIABILITIES	$170,060,720
EQUITY	
Minority Interest in Subsidiaries	$1,002,595
Common and Preferred Stock	18,200
Surplus	11,677,397
Undivided Profits	6,400,138
TOTAL EQUITY CAPITAL	$19,098,330
TOTAL LIABILITIES AND EQUITY CAPITAL	$189,159,050

- ---

To the best of the undersigned's determination, as of the date hereof, the above financial information is true and correct.

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Richard Prokosch

Vice President

Date: February 20, 2004