

SCHEDULE A-1

Audit Engagement Letter

October 19, 2009

Nortek, Inc.
50 Kennedy Plaza
Providence, RI 02903
Attention: Almon C. Hall, Vice President and Chief Financial Officer

Dear Mr. Hall:

1. This letter agreement (the "Agreement") sets forth the terms and conditions of the engagement of Ernst & Young LLP ("we" or "E&Y") by the Audit Committee of Nortek, Inc. (the "Company") to perform an audit of the Company's financial statements (the "audit") subsequent to the Company's filing of a petition under chapter 11 of the United States Bankruptcy Code ("Chapter 11") on or about October 19, 2009 in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The parties intend that this Agreement be effective as of the date of Company's filing of a Chapter 11 petition with the Bankruptcy Court and supersede all prior agreements between the Company and E&Y with respect to its subject matter.

We have agreed to provide such services contingent upon the Bankruptcy Court approving our retention in accordance with the terms and conditions which are set forth in this Agreement.

Scope of Services

2. Subject to the provisions of this Agreement, including the Dispute Resolution Procedures, which are set forth in Attachment 1 hereto, we will provide to the Company the Audit Services (as defined below), which may be modified from time to time by our mutual written agreement and approval by the Bankruptcy Court.

As part of audit, we will audit and report on the consolidated financial statements of the Company for the year ended December 31, 2009 (the "audit of the financial statements"). In connection with our audit of the consolidated financial statements, we will review the Company's unaudited interim financial information before the Company files its Form 10-Qs. All of the services described in this paragraph are referred to as either the "Audit Service" or "Audit Services."

Financial Statement Audit Responsibilities and Limitations

3. The objective of the audit of the financial statements is to express an opinion on whether the consolidated financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles. Should conditions not now anticipated preclude us from completing the audit and issuing our report, we will advise the Audit Committee, management and Bankruptcy Court promptly and take such

action as we deem appropriate.

4. We will conduct the audit in accordance with the standards of the Public Company Accounting Oversight Board (the "PCAOB"). Those standards require that we obtain reasonable, rather than absolute, assurance that the consolidated financial statements are free of material misstatement, whether caused by error or fraud. As the Company is aware, there are inherent limitations in the audit process, including, for example, selective testing and the possibility that collusion or forgery may preclude the detection of material error, fraud, or illegal acts. Accordingly, there is some risk that a material misstatement would remain undetected. Also, an audit is not designed to detect error or fraud that is immaterial to the consolidated financial statements.
5. In accordance with the standards of the PCAOB, we will communicate certain matters related to the conduct and results of the audit to the Audit Committee. Such matters include, when applicable, disagreements with management, whether or not resolved; serious difficulties encountered in performing the audit; our level of responsibility under PCAOB auditing standards for the financial statements, for internal control, and for other information in documents containing the audited financial statements; unrecorded audit differences that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements as a whole; changes in the Company's significant accounting policies and methods for accounting for significant unusual transactions or for controversial or emerging areas; our judgments about the quality of the Company's accounting principles; our basis for conclusions as to sensitive accounting estimates; management's consultations, if any, with other accountants; and major issues discussed with management prior to our retention.
6. In accordance with the rules of the Securities and Exchange Commission (the "SEC") implementing the requirements of Section 204 of the Sarbanes-Oxley Act of 2002, we will communicate to the Audit Committee all critical accounting policies and practices used by the Company, and all alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments along with the treatment preferred by us. We also will advise the Audit Committee of other material written communications between management and us.
7. We will obtain pre-approval from the Audit Committee for any services we are to provide to the Company pursuant to the Audit Committee's pre-approval process, policies, and procedures, in accordance with the standards and rules of the SEC/PCAOB. We also will

communicate annually with the Audit Committee on independence matters as required by the independence standards and rules of the PCAOB. Upon request, we will provide the Audit Committee and the Company with a copy of any publicly available inspection reports on EY issued by the PCAOB, but we will not provide any confidential inspection reports issued by the PCAOB to EY, the confidentiality of which is provided for in the Sarbanes-Oxley Act of 2002 and the PCAOB's inspection rules.

8. As part of our audit, we will consider, solely for the purpose of planning the audit and determining the nature, timing and extent of our audit procedures, the Company's internal control over financial reporting. Our consideration of internal control for the audit of the financial statements will not be sufficient to enable us to express an opinion on the effectiveness of internal control over financial reporting or to identify all significant deficiencies or material weaknesses.
9. If we determine that there is evidence that fraud or possible illegal acts may have occurred, we will bring such matters to the attention of the appropriate level of management. If we become aware of fraud involving senior management or fraud (whether committed by senior management or other employees) that causes a material misstatement of the consolidated financial statements, we will report this matter directly to the Audit Committee. We will determine that the Audit Committee is adequately informed of illegal acts that come to our attention unless they are clearly inconsequential. We also will inform the Audit Committee and appropriate members of management of significant audit adjustments noted during our audit procedures.
10. We will communicate in writing to management and the Audit Committee all significant deficiencies and material weaknesses identified during the audit of the Company's financial statements. In addition, if we become aware that the Audit Committee's oversight of the Company's external financial reporting and internal control over financial reporting is ineffective, we will communicate our conclusion in writing to the Board of Directors.
11. We also may communicate other opportunities we observe for economies in or improved controls over the Company's operations.

Reviews of Unaudited Interim Financial Information

12. Our review of the Company's unaudited interim financial information will be performed in accordance with applicable PCAOB auditing standards.

13. A review of interim financial information consists principally of performing analytical procedures and making inquiries of management responsible for financial and accounting matters. It involves a review of the condensed financial information included in the filing on Form 10-Q and does not include any earlier earnings releases or other such communications. A review is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we will not express an opinion on the interim financial information.
14. A review includes obtaining sufficient knowledge of the Company's business and its internal control as it relates to the preparation of both annual and interim financial information to: identify the types of potential material misstatements in the interim financial information and consider the likelihood of their occurrence; and select the inquiries and analytical procedures that will provide us with a basis for communicating whether we are aware of any material modifications that should be made to the interim financial information for it to conform with U.S. generally accepted accounting principles.
15. A review is not designed to provide assurance on internal control or to identify significant deficiencies. However, we will communicate to the Audit Committee any significant deficiencies noted during our review procedures.
16. If, during our review procedures, we determine that there is evidence that fraud or possible illegal acts may have occurred, we will bring such matters to the attention of the appropriate level of management. If we become aware of fraud involving senior management or fraud (whether committed by senior management or other employees) that causes a material misstatement of the interim financial information, we will report this matter directly to the Audit Committee. We will determine that the Audit Committee is adequately informed of illegal acts that come to our attention unless they are clearly inconsequential. We also will inform the Audit Committee and appropriate members of management of significant unrecorded differences noted during our review procedures.

Management's Responsibilities and Representations

17. The consolidated financial statements and unaudited interim financial information are the responsibility of management. Management is responsible for establishing and maintaining effective internal control, for properly recording transactions in the accounting records, for safeguarding assets, and for the overall fair presentation of the consolidated financial statements and unaudited interim financial information.

Management also is responsible for the identification of, and for the Company's compliance with, laws and regulations applicable to its activities.

18. Management is responsible for adjusting the consolidated financial statements and unaudited interim financial information to correct material misstatements and for affirming to us in its representation letter that the effects of any unrecorded differences accumulated by us during the applicable Audit Service and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the consolidated financial statements and unaudited interim financial information taken as a whole.
19. Management is responsible for apprising us of all allegations involving financial improprieties received by management or the Audit Committee (regardless of the source or form and including, without limitation, allegations by "whistle-blowers"), and for providing us full access to these allegations and any internal investigations of them, on a timely basis. Allegations of financial improprieties include allegations of manipulation of financial results by management or employees, misappropriation of assets by management or employees, intentional circumvention of internal controls, inappropriate influence on related party transactions by related parties, intentionally misleading EY, or other allegations of illegal acts or fraud that could result in a misstatement of the financial statements or otherwise affect the financial reporting of the Company. If the Company limits the information otherwise available to us under this paragraph (based on the Company's claims of attorney/client privilege, work product doctrine, or otherwise), the Company will immediately inform us of the fact that certain information is being withheld from us. Any such withholding of information could be considered a restriction on the scope of the Audit Services and may prevent us from opining on the Company's financial statements; alter the form of report we may issue on such financial statements; prevent us from consenting to the inclusion of previously issued auditor's reports in future Company filings; or otherwise affect our ability to continue as the Company's independent registered public accounting firm. We will disclose any such withholding of information to the Audit Committee.
20. Management is responsible for performing an evaluation and making an assessment of the effectiveness of the Company's internal control over financial reporting as of the end of the Company's most recent fiscal year, based on a suitable, recognized control framework. In connection with its assessment of internal control over financial reporting, management will affirm to us in its representation letter that it has disclosed to us all deficiencies in the design or operation of internal control over financial reporting identified as part of its evaluation, including separately disclosing to us all such deficiencies that management believes to be significant deficiencies or material weaknesses in internal control over financial reporting.

21. As required by PCAOB auditing standards, we will make specific inquiries of management about the representations contained in the consolidated financial statements and unaudited interim financial information. PCAOB auditing standards also require that, at the conclusion of the applicable Audit Service, we obtain representation letters from certain members of management about these matters. The responses to those inquiries, the written representations, and the results of our procedures comprise the evidence on which we will rely in completing the applicable Audit Service. Management is responsible for providing us with all financial records and related information on a timely basis, and its failure to do so may cause us to delay our report, modify our procedures, or even terminate our engagement.
22. Management agrees to cause all of the Company's foreign subsidiaries and affiliates included in the Company's consolidated financial statements to provide any authorization, to the fullest extent permissible under applicable law, necessary to permit compliance with requests by the SEC or the PCAOB for production of documents or information in a foreign public accounting firm's, associated person's or EY's possession, custody or control that was obtained in the conduct of audit services by such firm or person. In addition, the Company hereby waives, to the fullest extent permissible under applicable law, the rights provided under any laws, regulations, professional standards, or other provisions that might restrict the ability of any foreign public accounting firm, any associated person, or EY, to comply with requests by the SEC or the PCAOB for production of documents or information in such foreign public accounting firm's, associated person's or EY's possession, custody or control that was obtained in the conduct of audit services by such foreign firm or person, and consents, to the fullest extent permissible under applicable law, to action taken in furtherance of the foregoing by any foreign public accounting firm, associated person or EY.
23. Management shall make appropriate inquiries of the Company's officers, directors, and substantial stockholders to determine whether any business relationships exist between any such officer, director, or substantial stockholder (or any entity for or of which such an officer, director, or substantial stockholder acts in a similar capacity) and EY or any other member firm of the global Ernst & Young organization (any of which, an "EY Entity"), other than one pursuant to which an EY Entity performs professional services. For this purpose, a "substantial stockholder" is a person or entity (excluding mutual funds) that owns a beneficial interest of five percent or more of the Company.
24. Management shall discuss any independence matters with EY that, in its judgment, could bear upon EY's independence.

25. The Staff of the SEC has publicly stated that auditors and public companies share responsibility for compliance with auditor independence rules. Accordingly, the Company shall provide to EY information about the entities over which the Company has direct or indirect control or significant influence or which otherwise qualify as the "audit client" under Regulation S-X. The Company understands that EY will use this information to assess its independence in this engagement. In addition, to facilitate independence determinations, the "Big 4" accounting firms have created a database, called the Global Master File, to aggregate public information identifying the entities associated with their SEC audit clients, as well as information confirmed or provided by clients as to the relationships between such entities. The Company understands that EY will submit information to this database solely for the internal use of authorized accounting firms.

Fees and Billings

26. The hourly billing rates, on which the services applicable to this Agreement are based and which shall be adjusted annually on July 1 during the term of this Agreement, are as set forth below.

	<u>Rate Per Hour</u> <u>Range at 42% of Per</u> <u>Diems</u>
National/Senior Partner	\$700-750
Partner, Principal and Director	\$475-525
Senior Manager	\$375-475
Manager	\$300-375
Senior	\$225-300
Staff	\$150-225

Fees relating to audits, quarterly reviews and consultations in connection therewith, will be based on the hourly billing rates and the time required to complete the Audit Services.

27. Our estimated fee and schedule of performance are based upon, among other things, our preliminary review of the Company's records and the representations Company personnel have made to us and the results of our audit procedures. They also are dependent upon the Company's personnel providing a reasonable level of assistance. Should our assumptions with respect to these matters be incorrect or should the condition of records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimates are based, we may adjust our fees, subject to Bankruptcy Court approval, and planned completion dates. Fees for any special audit-related projects, such as proposed business combinations or research and/or

consultation on special business or financial issues, will be billed separately from the fees referred to above, and will be the subject of other written agreements.

28. If we are requested or authorized by the Company or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the Company, the Company will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests. In addition, the Company shall reimburse us for actual expenses related to this engagement. E&Y may receive rebates in connection with certain purchases, which are used to reduce overhead charges that E&Y would otherwise pass on to its clients.
29. E&Y will submit its invoices as the work progresses and payment of them will be made upon receipt, or as promptly as the United States Bankruptcy Code ("Bankruptcy Code"), the Federal Rules of Bankruptcy Procedures ("Bankruptcy Rules"), local bankruptcy rules for the District of Delaware ("Local Rules") and any relevant administrative orders allow. We will request payment of our fees and expenses in accordance with the Bankruptcy Code, the Bankruptcy Rules, Local Rules and any relevant orders of the Bankruptcy Court.
30. We acknowledge that payment of fees and expenses hereunder is subject to (i) the jurisdiction and approval of the Bankruptcy Court under Sections 330 and 331 of the Bankruptcy Code, and any order of the Bankruptcy Court approving the retention of E&Y, (ii) any applicable fee and expense guidelines and/or orders of the Bankruptcy Court and (iii) any other applicable requirements or guidelines governing interim and final fee applications in the Company's Chapter 11 proceedings, including the U.S. Trustee Guidelines.

Staffing for Provision of Audit Services

31. Joseph X. Bruno will be the Audit Partner responsible for the provision of our audit services. Joseph X. Bruno, Partner, Christopher A. Maher, Senior Manager, and Dan Rollins, Manager, will work closely with management in performing all required audit services. If one or more of these individuals ceases to provide audit services to the Company pursuant to this Agreement, E&Y will so advise the Company and, if that professional is replaced, provide the Company with the name of that professional's replacement. Other partners and staff, not named herein, may be utilized as required to conduct our work in an efficient manner.

Other Matters

32. Any controversy or claim with respect to, in connection with arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Company or of E&Y) shall be brought in the Bankruptcy Court or the applicable district court (if such district court withdraws the reference) and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have jurisdiction and venue of such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court, or the district court upon withdrawal of the reference, does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to nonbinding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in the Attachment 1 to this Agreement. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Company, E&Y and any all successors and assigns thereof.
33. From time to time, subject to Bankruptcy Court approval, and depending upon the circumstances, personnel from an affiliate of EY, any other EY Entity or any of their respective affiliates, or from independent third-party service providers (including independent contractors), may participate in providing the Audit Services.
34. The Company shall not, during the term of this Agreement and for 12 months following its termination for any reason, without the prior written consent of EY, solicit for employment or a position on its Board of Directors, or hire or appoint to its Board of Directors, any current or former partner, principal, or professional employee of EY, any affiliate thereof, any other EY Entity or any of their respective affiliates if any such professional performed any audit, review, attest, or related service for or relating to the Company at any time (a) since the date on which the Company filed its most recent periodic annual report with the SEC (or, since the beginning of the most recent fiscal year to be covered by the Company's first such report, if applicable) or (b) in the 12 months ended on that date. In any event, the Company may not solicit, hire, or appoint to its Board of Directors any such professional who influences EY's operations or financial policies or has any capital balances or any other continuing financial arrangement with EY.

35. By your signature below, you confirm that the Company, through its Board of Directors, has authorized the Audit Committee to enter into this Agreement on the Company's behalf and that you have been expressly authorized by the Audit Committee to execute this Agreement on behalf of, and to bind, the Company.
36. If any portion of this Agreement is held to be void, invalid, or otherwise unenforceable, in whole or part, the remaining portions of this Agreement shall remain in effect.

Subject to Bankruptcy Court approval, we will perform the Audit Services for each of the Company's subsequent fiscal years on the terms and conditions set forth in this Agreement until either the Audit Committee or E&Y terminates this Agreement or upon effective date of the Company's confirmed plan of reorganization, or liquidation of the Company's assets, under Chapter 11 or 7 of the Bankruptcy Code, or otherwise, but in any event this Agreement will expire upon the effective date of the Company's confirmed plan of reorganization, or liquidation of the Company's assets under Chapter 11 or 7 of the Bankruptcy Code or otherwise. Changes in the scope of the Audit Services and estimated fees for such services in subsequent fiscal years will be communicated in supplemental letters. This Agreement may be terminated at any time by the Company or E&Y. The provisions of this Agreement set forth in the sections entitled "Fees and Billings" and "Other Matters", including, but not limited to the alternative dispute provision in this Agreement, will remain operative and in full force and effect regardless of any termination of expiration of this Agreement and shall survive completion of the Company's bankruptcy whether through a confirmed plan of reorganization or liquidation of the Company's assets, under Chapter 11 or 7 of the Bankruptcy Code, or otherwise.

The Company recognizes and acknowledges that by performing the services set forth in this Agreement, E&Y is not acting in any Company management capacity and that the Company has not asked E&Y to make, nor has E&Y agreed to make, any business decisions on behalf of the Company. All decisions about the business of operations of the Company remain the sole responsibility of the Company's management and its board of directors.

By agreement to the provisions of the services set forth in this Agreement, E&Y is not providing a guarantee to the Company that E&Y's performance of those services pursuant to the terms and conditions set forth in this Agreement will guarantee the Company's successful reorganization under Chapter 11 of the Bankruptcy Code.

Nortek, Inc.

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October 19, 2009

EY appreciates the opportunity to be of assistance to the Companies. If this Agreement accurately reflects the terms on which the Companies have agreed to engage EY, please sign below on behalf of the Companies and return it to Joseph X. Bruno, 200 Clarendon Street, Boston, MA 02116.

Yours very truly,

Ernst + Young LLP

Agreed and accepted by:
Nortek, Inc.

By: *Almon C. Hall*
Almon C. Hall, Vice President and
Chief Financial Officer

Copy to: Joseph M. Cianciolo
Director and Chairman of the Audit Committee

Dispute Resolution Procedures

Mediation

A party shall submit a dispute to mediation by written notice to the other party or parties. The mediator shall be selected by the parties. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution ("CPR") shall designate a mediator at the request of a party. Any mediator must be acceptable to all parties and must confirm in writing that he or she is not, and will not become during the term of the mediation, an employee, partner, executive officer, director, or substantial equity owner of any Ernst & Young audit client.

The mediator shall conduct the mediation as he/she determines, with the agreement of the parties. The parties shall discuss their differences in good faith and attempt, with the mediator's assistance, to reach an amicable resolution of the dispute. The mediation shall be treated as a settlement discussion and shall therefore be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. The mediation proceedings shall not be recorded or transcribed.

Each party shall bear its own costs in the mediation. The parties shall share equally the fees and expenses of the mediator.

If the parties have not resolved a dispute within 90 days after written notice beginning mediation (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute shall be settled by arbitration. In addition, if a party initiates litigation, arbitration, or other binding dispute resolution process without initiating mediation, or before the mediation process has terminated, an opposing party may deem the mediation requirement to have been waived and may proceed with arbitration.

Arbitration

The arbitration will be conducted in accordance with the procedures in this document and the CPR Rules for Non-Administered Arbitration ("Rules") as in effect on the date of the Agreement, or such other rules and procedures as the parties may agree. In the event of a conflict, the provisions of this document will control.

The arbitration will be conducted before a panel of three arbitrators, to be selected in accordance with the screened selection process provided in the Rules. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the Federal Arbitration Act and resolved by the arbitrators. No potential arbitrator may be appointed unless he or she has agreed in writing to these procedures and has confirmed in writing that he or she is not, and will not become during the term of the arbitration, an employee, partner, executive officer, director, or substantial equity owner of any Ernst & Young audit client.

The arbitration panel shall have no power to award non-monetary or equitable relief of any sort or to make an award or impose a remedy that (i) is inconsistent with the agreement to which these procedures are attached or any other agreement relevant to the dispute, or (ii) could not be made or imposed by a court deciding the matter in the same jurisdiction.

Discovery shall be permitted in connection with the arbitration only to the extent, if any, expressly authorized by the arbitration panel upon a showing of substantial need by the party seeking discovery.

All aspects of the arbitration shall be treated as confidential. The parties and the arbitration panel may disclose the existence, content or results of the arbitration only in accordance with the Rules or applicable professional standards. Before making any such disclosure, a party shall give written notice to all other parties and shall afford them a reasonable opportunity to protect their interests, except to the extent such disclosure is necessary to comply with applicable law, regulatory requirements or professional standards.

The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

SCHEDULE A-2

Master Tax Services Agreement



Ernst & Young LLP
40 Westminister St.
Providence, RI 02903, USA
Tel: +1-401-457-3700
Fax: +1-401-457-3702
www.ey.com

October 19, 2009

Mr. Almon C. Hall
Vice President, Chief Financial Officer
Nortek Inc.
50 Kennedy Plaza
Providence, RI 02903

Master Tax Services Agreement

Dear Al:

Thank you for choosing Ernst & Young LLP ("we" or "E&Y") to perform tax services requested by Nortek, Inc. (the "Client"). This letter, together with the attached Exhibits and Notice and all Statements of Work executed hereunder, constitutes the Master Tax Services Agreement ("Agreement") between the Client and E&Y, for the provision of tax services subsequent to the Client filing a petition under chapter 11 petition of the United States Bankruptcy Code ("Chapter 11") on October 19, 2009 with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

We have agreed to provide such services contingent upon the Bankruptcy Court's approval, and in conjunction with audit committee pre-approval, of our retention in accordance with the terms and conditions that are set forth in this Agreement. Client acknowledges and agrees that, whether or not this Agreement has been approved by the Bankruptcy Court at the time Advice (as defined in Exhibit A hereto) is rendered, any Advice rendered by E&Y prior to the delivery of its final Advice is preliminary in nature and cannot be relied upon for any purpose, including penalty protection.

This Agreement is effective as of the date of Client's filing of a Chapter 11 petition in the Bankruptcy Court.

SCOPE OF SERVICES

Subject to the provisions of this Agreement, including the Dispute Resolution Procedures, which are set forth in Exhibit B hereto, we will provide to the Client the tax services (the "Services"), which may be modified from time to time by our mutual written agreement and approval by the Bankruptcy Court.

For each project, the Client and E&Y shall enter into a Statement of Work that describes the specific Services to be performed for a project and the applicable fees for such project, subject to the approval of the Bankruptcy Court. The Statement of Work will be

executed by the parties, will be subject to the terms and conditions of this Agreement and will be deemed incorporated herein and shall be contingent upon the Bankruptcy Court approving E&Y's retention in accordance with the terms and conditions that are set forth in this Agreement and the applicable Statement of Work. To the extent that the terms of a Statement of Work conflict with the terms provided herein, the separate Statement of Work will be governed by its own terms, contingent upon the Bankruptcy Court's approval thereof.

We will perform all services under this Agreement in accordance with applicable standards established by the American Institute of Certified Public Accountants, including its Statements on Standards for Tax Services.

FEES AND EXPENSES

Fees for the Services shall be set forth in the Statement of Work pertaining to such Services. Unless specified otherwise in the applicable Statement of Work, fees for the Services will be billed based on hours spent at agreed-upon hourly billing rates that will be updated annually on July 1 and set forth in the applicable Statement of Work.

The Client shall reimburse E&Y for its direct expenses incurred in connection with the performance of the Services which shall include reasonable and customary out-of-pocket expenses for items such as travel, meals, accommodations, telephone, facsimile, overnight mail, messenger services and other expenses specifically relating to the applicable Services. In addition, if the Client requests E&Y, or if E&Y is required by government regulation, subpoena or other legal process, to produce documents or personnel as witnesses with respect to the Services or this Agreement, the Client shall, so long as E&Y is not a party to the proceeding in which the information is sought, reimburse E&Y at its standard billing rates for its professional time and expenses, as well as reasonable attorneys' fees and expenses, incurred in responding to such requests. E&Y may receive rebates in connection with certain purchases, which are used to reduce charges that E&Y would otherwise pass on to its clients. The Client shall also pay all applicable taxes incurred in connection with the delivery of the Services (except for taxes imposed on E&Y's income).

We will request payment of our fees and expenses in accordance with the United States Bankruptcy Code (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Local Rules for the United States Bankruptcy Court for the District of Delaware ("Local Rules") and any relevant administrative orders. E&Y will submit its invoices as the work progresses and payment of them will be made upon receipt, or as quickly as the Bankruptcy Code, the Bankruptcy Rules, Local Rules and any relevant orders of the Bankruptcy Court allow.

We will submit an itemized and detailed billing statement and we will request payment of our fees in accordance with the United States Bankruptcy Code, the Bankruptcy Rules and the Local Rules and any relevant orders of the Bankruptcy Court.

E&Y acknowledges that payment of its fees and expenses hereunder is subject to (i) the jurisdiction and approval of the Bankruptcy Court under Sections 330 and 331 of the Bankruptcy Code, any order of the Bankruptcy Court approving the retention of E&Y, (ii) any applicable fee and expense guidelines and/or orders of the Bankruptcy Court and (iii) any other applicable requirements or guidelines governing interim and final fee applications in the Client's Chapter 11 proceedings, including the U.S. Trustee Guidelines.

OTHER MATTERS

The Client acknowledges and agrees that EY shall not agree to perform any services pursuant to this Agreement that: (a) are prohibited under the SEC, PCAOB or AICPA rules or (b) might, in the sole opinion of E&Y, impair E&Y's independence or violate the Securities Exchange Act of 1934, as amended.

Any controversy or claim with respect to, in connection with, arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Client or its subsidiaries or of E&Y) shall be brought in the Bankruptcy Court or the applicable district court if such district court withdraws the reference and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have jurisdiction and venue of such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court or the district court upon withdrawal of the reference does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to nonbinding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Exhibit B to this Agreement. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Client, E&Y and any all successors and assigns thereof.

This Agreement, including all Exhibits hereto and any Statements of Work executed hereunder, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all agreements and understandings between the parties with respect to the subject matter hereof made prior to the date hereof. There are no representations, warranties, understandings or agreements relating to the subject matter hereof which are not fully expressed in this Agreement. No amendment, modification, waiver or discharge of this Agreement shall be valid unless in writing and signed by an authorized representative of the party against whom such amendment, modification, waiver or discharge is sought to be enforced, and, where required, approved by the Bankruptcy Court. Except as expressly provided herein, this Agreement does not modify the terms or provisions of any engagement letter or agreement for other professional

Nortek Inc.

October 19, 2009

services executed prior to the date of filing a Chapter 11 of the United States Code petition in the Bankruptcy Court.

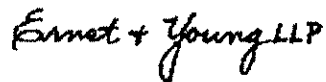
This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, as if it were made and fully performed in New York by New York residents.

By agreement to the provision of the Services, E&Y is not providing a guarantee to the Client that E&Y's performance of those services pursuant to the terms and conditions set forth in this Agreement will guarantee the Client's successful reorganization under Chapter 11.

Please sign this letter in the space provided below to indicate your agreement with these arrangements and return it to Chris Jackson at your earliest convenience. If you have any questions about any of these materials, please do not hesitate to contact Chris Jackson so that we can address any issues you identify before we begin to provide any services.

Thanks again for your selection of our firm.

Very truly yours,



Ernst & Young LLP

Agreed and accepted by:
Nortek, Inc.

By: 

Mr. Almon C. Hall

Vice President, Chief Financial Officer

Date: 10/19/09

Copy to: Joseph M. Cianciolo
Director and Chairman of the Audit Committee

Attachments

EXHIBIT A: Standard Terms and Conditions for Tax Services

EXHIBIT A: Standard Terms and Conditions Tax Services

1. Independent Contractor. E&Y will provide tax services to Client (the "Services") from time to time described in Statements of Work (each, an "SOW") solely as an independent contractor. Neither party shall have the right, power or authority to obligate or bind the other in any manner.
2. Unexpected Events. If changes to the scope or timing of any Services are required because of a change in applicable law or professional standards or events beyond a party's reasonable control, but not involving its fault or negligence (any of which, a "Change"), the parties agree to adjust the fees for, and/or timing of, the Services appropriately and, if necessary, Client will obtain Audit Committee approval of such adjustments as well as Bankruptcy Court approval if required. Each party shall be excused from default or delay in the performance of its obligations (other than payment obligations) under this Agreement to the extent caused by a Change.
3. Client Data and Information.
 - A. Client will timely provide, or cause to be provided, to E&Y all data, information and resources reasonably required by E&Y to perform the Services ("Client Data"). All Client Data shall be, to the best of Client's knowledge, true, correct and complete in all material respects and will not omit any material fact that would make any data or information provided to E&Y false or misleading. E&Y may rely upon the Client Data and will not evaluate or have any responsibility to verify independently the accuracy, completeness, or sufficiency of any Client Data for any purposes.
 - B. E&Y may disclose Client Data, including tax return information and other confidential information, to any affiliate of E&Y, any other member of the global Ernst & Young network or any of their respective affiliates (all such members, including E&Y and its affiliates, collectively, the "E&Y Entities," and any of them, an "E&Y Entity") and their respective employees, partners, consultants and contractors for the purpose of rendering the Services.
4. Reliance and Disclosure. All E&Y tax services and any advice, reports, materials, presentations, or other communications (collectively, "Advice") in connection therewith are provided solely for the benefit and use of Client and (other than filings provided to tax authorities) may not be relied upon by anyone else for any purpose without E&Y's prior written consent. Client (and, if applicable, its officers, directors, employees, agents and advisors) may disclose to any person or entity, without limitation, the tax treatment and tax structure of any transaction or any other tax position with respect to which E&Y provides tax Services and any Advice in connection therewith. In the event Client discloses such Advice to a third party, Client shall inform the third party that the third party cannot rely on the Advice for any purpose without E&Y's prior written consent. Client may not rely on any draft Advice.
5. Technical Elements. In performing the Services, E&Y may use certain data, modules, components, designs, utilities, subsets, objects, program listings, tools, models, methodologies, programs, systems, analysis frameworks, leading practices, and specifications developed or used by E&Y or its licensors, or to which E&Y otherwise has rights, including enhancements or improvements developed in the course of performing the Services (collectively, "Technical Elements"). Client may use the Technical Elements owned by E&Y or its licensors solely to the extent necessary for Client to use the Advice as permitted by this Agreement.
6. Limitations
 - A. E&Y shall be solely responsible for the performance of the Services and all of the other liabilities and obligations of E&Y under this Agreement, including any SOW, whether or not performed, in whole or part, by E&Y, any other E&Y Entity, or any subcontractor or personnel of any E&Y Entity. Client and its affiliates or other persons or entities for or in respect of which any of the Services are provided shall have no recourse, and shall bring no claim, against any E&Y Entity other than E&Y, or against any subcontractors, members, shareholders, directors, officers, managers, partners or employees of E&Y or any other E&Y Entity, or any of the assets of any thereof, in connection with the performance of the Services or otherwise under the Agreement or any SOW.
7. Termination. This Agreement and/or any or all Statements of Work may be terminated at any time by the Client or E&Y, but in any event this Agreement including all Statements of Work will expire upon the effective date of the Client's confirmed plan of reorganization, or liquidation of the Client's assets under Chapter 11 or 7 of Title 11 of the United States Code, or otherwise.

EXHIBIT A: Standard Terms and Conditions for Tax Services

The provisions of this Agreement relating to "Fees and Expenses" and "Other Matters" will remain operative and in full force and effect regardless of any termination or expiration of this Agreement and shall survive completion of the Client's bankruptcy whether through a confirmed plan of reorganization under Chapter 11 of Title 11 of the United States Code, liquidation of the Client's assets under Chapter 7 of Title 11 of the United States Code, or otherwise.

8. Use of Names. Neither party shall use, disclose or publicize the other party's name, trademark, service mark or logo in connection with the Services without the prior written consent of the other party, provided, that E&Y may use Client as a reference for the Services or in a list of clients for which the Services have been provided.
9. Miscellaneous.
 - A. This Agreement merges and supersedes all prior and contemporaneous communications about the Services and the other matters contemplated by this Agreement. This Agreement, including each SOW, may be modified only in writing, signed by both parties and approved by the Bankruptcy Court, if required. If any portion of this Agreement, including any SOW, is held to be void, invalid, or otherwise unenforceable, the other provisions shall not be affected.
 - B. None of a party's rights or obligations under this Agreement may be assigned, in whole or in part, by either party without the prior written consent of the other party, provided, that E&Y may assign any of its rights or obligations under this Agreement to, and may perform the Services together with, an affiliate of E&Y or any other E&Y Entity, subject to the approval of the Bankruptcy Court. The provisions of this Agreement shall operate for the benefit of, and may be enforced by, any assignee or subcontractor that is providing any of the Services in accordance herewith.
 - C. Client represents and warrants to E&Y that (1) this Agreement has, if necessary, been considered and approved by Client's Audit Committee, and (2) the person signing this Agreement, or any SOW, is expressly authorized to execute it on behalf of, and to bind, Client, its affiliates and any other persons or entities for whose benefit any of the Services are provided.

EXHIBIT B: Dispute Resolution Procedures

Mediation

A party shall submit a dispute to mediation by written notice to the other party or parties. The mediator shall be selected by the parties. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution ("CPR") shall designate a mediator at the request of a party. Any mediator must be acceptable to all parties and must confirm in writing that he or she is not, and will not become during the term of the mediation, an employee, partner, executive officer, director, or substantial equity owner of any E&Y audit client.

The mediator shall conduct the mediation as he/she determines, with the agreement of the parties. The parties shall discuss their differences in good faith and attempt, with the mediator's assistance, to reach an amicable resolution of the dispute. The mediation shall be treated as a settlement discussion and shall therefore be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. The mediation proceedings shall not be recorded or transcribed.

Each party shall bear its own costs in the mediation. The parties shall share equally the fees and expenses of the mediator.

If the parties have not resolved a dispute within 90 days after written notice beginning mediation (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute shall be settled by arbitration. In addition, if a party initiates litigation, arbitration, or other binding dispute resolution process without initiating mediation, or before the mediation process has terminated, an opposing party may deem the mediation requirement to have been waived and may proceed with arbitration.

Arbitration

The arbitration will be conducted in accordance with the procedures in this document and the CPR Rules for Non-Administered Arbitration ("Rules") as in effect on the date of the Agreement, or such other rules and procedures as the parties may agree. In the event of a conflict, the provisions of this document will control.

The arbitration will be conducted before a panel of three arbitrators, to be selected in accordance with the screened selection process provided in the Rules. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the Federal Arbitration Act and resolved by the arbitrators. No potential arbitrator may be appointed unless he or she has agreed in writing to these procedures and has confirmed in writing that he or she is not, and will not become during the term of the arbitration, an employee, partner, executive officer, director, or substantial equity owner of any E&Y audit client.

The arbitration panel shall have no power to award non-monetary or equitable relief of any sort or to make an award or impose a remedy that (i) is inconsistent with the agreement to which these procedures are attached or any other agreement relevant to the dispute, or (ii) could not be made or imposed by a court deciding the matter in the same jurisdiction.

Discovery shall be permitted in connection with the arbitration only to the extent, if any, expressly authorized by the arbitration panel upon a showing of substantial need by the party seeking discovery.

All aspects of the arbitration shall be treated as confidential. The parties and the arbitration panel may disclose the existence, content or results of the arbitration only in accordance with the Rules or applicable professional standards. Before making any such disclosure, a party shall give written notice to all other parties and shall afford them a reasonable opportunity to protect their interests, except to the extent such disclosure is necessary to comply with applicable law, regulatory requirements or professional standards.

The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction

Tax Services Notices

1. Under Section 5079(a)(5) of the California Business and Professions Code and the regulations thereto, EY is required to inform its clients that in some circumstances, non-CPA personnel may participate in the performance of the Services.
2. In accordance with AICPA professional standards and the Financial Modernization Act of 1999, EY provides the following Privacy Policy Statement: EY considers all nonpublic information about its clients to be confidential, including personal and financial information provided by its clients or by others, as well as information EY generates on behalf of its clients. EY does not disclose confidential client information to unaffiliated third parties, other than EY Entities and their contractors or consultants in connection with the performance of the Services, except as permitted by law or professional obligations, without the client's consent. EY personnel, contractors and consultants working under EY's supervision are required to observe EY's policies concerning confidential client information and EY employs security systems designed to protect against unauthorized access to and use of confidential information.
3. Under AICPA professional standards, EY owns all working papers prepared by it to document, in accordance with EY policy and professional obligations, performance of the Services, and EY may retain, in confidence, copies of tax returns, Advice and other documents prepared by it.
4. EY may receive rebates in connection with certain purchases, which are used to reduce charges that EY would otherwise pass on to its clients.

SCHEDULE A-3

Tax Statement of Work #1



Ernst & Young LLP
40 Westminister St.
Providence, RI 02903, USA
Tel: +1-401-457-3700
Fax: +1-401-457-3702
www.ey.com

October 19, 2009

Mr. Almon C. Hall
Vice President, Chief Financial Officer
Nortek Inc.
50 Kennedy Plaza
Providence, RI 02903

Statement of Work No. 1
Routine On-Call Advisory Services

Dear Al:

This Statement of Work ("SOW") is governed by and subject to the terms and conditions of the Master Tax Services Agreement dated October 19, 2009 (the "Agreement") between Nortek, Inc. (the "Client") and Ernst & Young LLP ("E&Y"), which was executed in connection with the Client filing a petition under Chapter 11 on October 19, 2009 with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and describes certain tax services that E&Y will perform for the Client during the Client's Chapter 11 bankruptcy. Unless modified by this SOW, the terms and conditions of the Agreement continue to apply. Capitalized terms used, but not defined, in this SOW have the meanings set forth in the Agreement.

Engagement Team

Chris Jackson (Partner) and Scott Beverly (Senior Manager) will lead the E&Y team in providing the services described herein (the "Services"). If either of these individuals ceases to provide tax services to the Client pursuant to the Agreement, E&Y will so advise the Client and, if that person is replaced, provide the Client with the name of that professional's replacement. Other staff and subject matter specialists and/or experts, not identified herein, may be utilized as required to conduct our work in an efficient manner.

Scope of Services

E&Y will provide the following tax advisory services to Client, contingent upon the Bankruptcy Court's approval, and in conjunction with audit committee pre-approval, of our retention in accordance with the terms and conditions that are set forth in the Agreement (inclusive of this SOW):

E&Y will provide to Client routine tax advice and assistance concerning issues as requested by Client when such projects are not covered by a separate SOW and do not involve any significant tax planning or projects ("on-call tax advisory services"). Such

projects may include assistance with tax issues, assistance with transactional issues, or assisting Client in connection with its dealings with tax authorities. Specific tasks that may be involved in connection with the Services include participation in meetings and telephone calls with Client, participating in meetings and telephone calls with taxing authorities and other third parties, review of transactional documentation, research of technical issues, and the preparation of technical memoranda, letters, e-mails, and other written documentation.

This SOW is intended to be used to respond to basic tax questions and assignments that are expected, at the beginning of the project, to involve total professional time not to exceed (with respect to the specific project) \$25,000 in professional fees at the standard hourly rates stated elsewhere herein for the professionals involved.

The Services may be modified from time to time by our mutual written agreement and approval by the Bankruptcy Court.

Client acknowledges and agrees that, whether or not this SOW has been approved by the Bankruptcy Court at the time Advice is rendered, any Advice rendered by E&Y prior to the delivery of its final Advice is preliminary in nature and cannot be relied upon for any purpose, including penalty protection.

The Internal Revenue Code and professional standards require that tax advisors advise clients regarding their penalty exposure with respect to the advice they render and the disclosures that may avoid such penalties. The Internal Revenue Code has been amended to increase the disclosures that return preparers are required to include on returns to avoid exposure to penalty. Our tax opinions, memoranda, and similar documents will address disclosures we believe are appropriate to comply with applicable taxpayer and tax advisor/return preparer obligations, including our views as to the level of support for the positions addressed therein in a manner designed to facilitate compliance with tax return disclosure requirements.

Out-Of-Scope Services

Any activities not described as Services, as indicated above under Scope of Services, are not covered by the fees stated herein. These services will be considered outside the scope of this SOW and are the responsibility of Client to perform on a timely basis unless otherwise agreed by the parties in writing.

Responsibilities

Client shall make all management decisions and perform all management functions in connection with the Services under this SOW. E&Y may assist Client in rendering management decisions or carrying out management functions in connection with the Services, including by providing advice, research material or recommendations, but E&Y will not make any such decisions or perform any such functions. In its sole discretion,

E&Y may refuse to take any action to the extent it might be construed as a management decision or a management function.

Client accepts responsibility for the results of the Services. Client's approval of any Services shall not constitute a waiver of any of its rights under this SOW. Client further agrees to establish and maintain internal controls in connection with the Services, including monitoring E&Y's performance under this SOW.

Client shall designate an employee possessing the skill, knowledge and/or experience (but not necessarily the experience to perform the Services) to (1) oversee, (2) evaluate the effectiveness of, and (3) approve, the Services.

In addition, to the extent that SEC audit independence restrictions apply to any relationship between Client and E&Y or any other E&Y Entity, Client represents and warrants to E&Y, on and as of the date hereof, that neither Client nor any of its affiliates has agreed, orally or in writing; with any other tax service provider to limit in any way Client's ability to disclose to any person or entity the tax treatment or tax structure of any transaction that is the subject of the Services. Any such agreement with other tax service providers could impair the independence required of an E&Y Entity providing services to Client and neither E&Y nor any other E&Y Entity shall have any liability or responsibility whatsoever to Client in respect of any such agreement or its consequences.

Fees and Expenses

The Client shall pay E&Y's fees for the Services, which fees are subject to Bankruptcy Court approval and based on the actual time of E&Y professionals expended in performing the Services as adjusted annually on July 1 during the term of the Agreement. The actual time required will depend upon the extent and nature of available information, modifications to the scope of our engagement and other developments that may occur as work progresses. The rates, by level of tax professional, are as follows:

<u>Title</u>	<u>Rate Per Hour Range</u>
Principal/Partner	\$700 - \$800
Executive Director	\$650 - \$750
Senior Manager	\$625 - \$725
Manager	\$600 - \$650
Senior	\$350 - \$425
Staff	\$150 - \$200

The Client shall also pay E&Y's expenses and reimbursements in accordance with the terms of the Agreement. We will submit an itemized and detailed billing statement and we will request payment of our fees and expenses in accordance with the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Rules for the United States Bankruptcy Court for the District of Delaware and any relevant orders of the Bankruptcy Court.

Nortek, Inc.


October 19, 2009

If, during the term of this SOW, E&Y determines that any additional work is necessary, whether at Client's request or because the complexity of the project increases, E&Y will promptly contact Client to discuss any adjustments to the scope of work and the Client obtaining Bankruptcy Court approval before proceeding, if required.

Please indicate Client's acceptance of these additional terms and conditions by executing this SOW in the space provided below and return it to Chris Jackson at your earliest convenience.

Thanks again for your selection of our firm.

Very truly yours,



Ernst & Young LLP

Agreed and accepted by
Nortek, Inc.

By: 

Mr. Almon C. Hall
Vice President, Chief Financial Officer

Date: 10/19/09

Copy to: Joseph M. Cianciolo
Director and Chairman of the Audit Committee

SCHEDULE A-4

Tax Statement of Work #2



Ernst & Young LLP
40 Westminister St.
Providence, RI 02903, USA
Tel: +1-401-457-3700
Fax: +1-401-457-3702
www.ey.com

October 19, 2009

Mr. Almon C. Hall
Vice President, Chief Financial Officer
Nortek Inc.
50 Kennedy Plaza
Providence, RI 02903

**Statement of Work No. 2
Chapter 11 Tax Advisory Services**

Dear Al:

This Statement of Work ("SOW") is governed by and subject to the terms and conditions of the Master Tax Services Agreement dated October 19, 2009 (the "Agreement") between Nortek, Inc. (the "Client") and Ernst & Young LLP ("E&Y"), which was executed in connection with the Client filing a petition under Chapter 11 on October 19, 2009 with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and describes certain tax services that E&Y will perform for the Client during the Client's Chapter 11 bankruptcy. Unless modified by this SOW, the terms and conditions of the Agreement continue to apply. Capitalized terms used, but not defined, in this SOW have the meanings set forth in the Agreement.

Engagement Team

Chris Jackson (Partner), Mark Pepler and Howard Tucker (Transaction Advisory Partners) will lead the E&Y team in providing the services described herein (the "Services"). If either of these individuals ceases to provide tax services to the Client pursuant to the Agreement, E&Y will so advise the Client and, if that person is replaced, provide the Client with the name of that professional's replacement. Other staff and subject matter specialists and/or experts, not identified herein, may be utilized as required to conduct our work in an efficient manner.

Scope of Services

E&Y will provide mutually agreed upon tax advisory services listed below on an as-requested basis by Client, contingent upon the Bankruptcy Court's approval, and in conjunction with audit committee pre-approval, of our retention in accordance with the terms and conditions that are set forth in the Agreement (inclusive of this SOW).

E&Y will assist Client personnel in developing an understanding of the tax issues and options related to Client's Chapter 11 filing, taking into account Client's specific facts

and circumstances, for US federal and state tax purposes. In addition, EY will assist Client with certain general tax matters arising during the bankruptcy period which assistance may include:

- Assisting Client in developing an understanding of the tax implications of its bankruptcy restructuring alternatives and post-bankruptcy operations, including research and analysis of the Internal Revenue Code, Treasury regulations, case law and other relevant US federal, state and non-US tax authorities, as applicable. As required, assist and advise in securing rulings from the Internal Revenue Service or applicable state and local, or non-US tax authorities as required but not yet identified;
- Understand reorganization and/or restructuring alternatives Client is evaluating with its existing bondholders and other creditors that may result in a change in the equity, capitalization and/or ownership of the shares of Client or its assets;
- Prepare calculations ("Section 382 calculations") related to historic changes in ownership of Client's stock, including a determination if the shifts in stock ownership may have caused an ownership change that will restrict the use of tax attributes (such as net operating loss, capital loss and credit carryforwards, and built-in losses) and the amount of any such limitations;
- Provide advice with respect to availability, limitations and preservation of tax attributes such as net operating losses, tax credits, stock and asset basis as a result of the application of the federal and state (or non-US local country if applicable) cancellation of indebtedness provisions, including the preparation of calculations to determine the amount of tax attribute reduction related to debt cancellation;
- Provide advice with respect to tax analysis and research related to tax efficient domestic restructurings, possible international and/or non-US restructurings, including assistance regarding stock based computations, local country income and non-income tax consequences, and formulating tax basis of assets and tax basis of subsidiary balance sheets for purposes of evaluating transactions;
- Analyze historic tax returns, tax positions, and Client records for the application of relevant consolidated tax return rules to the current transaction, including but not limited to, deferred inter-company transactions, excess loss accounts and other consolidated return issues for each legal entity in Client's US tax group;
- Analyze the federal, state and local tax treatment (including tax return disclosure and presentation) governing the timing and deductibility of expenses incurred before and during the bankruptcy period, including but not limited to, bankruptcy costs, severance costs, interest and financing costs, legal and professional fees, and other costs incurred as Client rationalizes its operations;

- Analyze the federal, state and local, and local country tax consequences of internal restructurings and the rationalization of inter-company accounts;
- Analyze the federal, state and local tax consequences of material bad debt and worthless stock deductions, including tax return disclosure an presentation;
- Analyze the federal, state and local tax consequences of material changes or additions to employee benefit plans, including, but not limited to, pension plans, deferred compensation arrangements, and equity award programs;
- Provide advice with respect to any material tax issues arising in the ordinary course of business while in bankruptcy, including, but not limited to assistance with the IRS and/or state and local tax examinations, sales and use taxes, property taxes, state and local/franchise taxes, and employment taxes;
- Provide advice concerning the tax aspects with respect to the validity and amount of material bankruptcy tax claims or assessments, including, but not limited to the following types of taxes: income taxes, franchise taxes, sales taxes, use taxes, employment taxes, and property taxes;
- Provide advice with respect to securing tax refunds, including but not limited to the following types of taxes; income taxes, franchise taxes, sales taxes, use taxes, employment taxes, and property taxes; and
- Documentation, as appropriate or necessary, of tax analysis, opinions, recommendations, conclusions and correspondence for any proposed restructuring alternative, bankruptcy tax issue, or other tax matter described above.

Specific tasks that may be involved in connection with the Services include participation in meetings and telephone calls with Client and advisors, participating in meetings and telephone calls with taxing authorities and other third parties, review of transactional documentation, research of technical issues, and the preparation of technical memoranda, letters, e-mails, and other written documentation.

Client hereby acknowledges that if E&Y is required to submit affidavits to a court or appear before a court as a witness, pursuant to SEC rules, E&Y shall act as a fact witness, not as an expert witness, for Client.

Client acknowledges and agrees that, whether or not this SOW has been approved by the Bankruptcy Court at the time Advice is rendered, any Advice rendered by E&Y prior to the delivery of its final Advice is preliminary in nature and cannot be relied upon for any purpose, including penalty protection.

The Internal Revenue Code, related IRS guidance, and professional standards require that tax advisors inform clients of their penalty exposure with respect to the advice they

render and the disclosures that may avoid such penalties. Any tax opinions, memoranda, and similar documents will address disclosures we believe are appropriate to comply with applicable taxpayer and tax advisor/return preparer obligations, including our views as to the level of support for the positions addressed therein in a manner designed to facilitate compliance with tax return disclosure requirements.

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Responsibilities

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Client accepts responsibility for the results of the Services. Client's approval of any Services shall not constitute a waiver of any of its rights under this SOW. Client further agrees to establish and maintain internal controls in connection with the Services, including monitoring E&Y's performance under this SOW.

Client shall designate an employee possessing the skill, knowledge and/or experience (but not necessarily the experience to perform the Services) to (1) oversee, (2) evaluate the effectiveness of, and (3) approve, the Services.

In addition, to the extent that SEC audit independence restrictions apply to any relationship between Client and E&Y or any other E&Y Entity, Client represents and warrants to E&Y, on and as of the date hereof, that neither Client nor any of its affiliates has agreed, orally or in writing; with any other tax service provider to limit in any way Client's ability to disclose to any person or entity the tax treatment or tax structure of any transaction that is the subject of the Services. Any such agreement with other tax service providers could impair the independence required of an E&Y Entity providing services to Client and neither E&Y nor any other E&Y Entity shall have any liability or responsibility whatsoever to Client in respect of any such agreement or its consequences.

Fees and Expenses

The Client shall pay E&Y's fees for the Services, which fees are subject to Bankruptcy Court approval and based on the actual time of E&Y professionals expended in performing the Services as adjusted annually on July 1 during the term of the Agreement. The actual time required will depend upon the extent and nature of available information, modifications to the scope of our engagement and other developments that may occur as work progresses. The rates, by level of tax professional, are as follows:

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Senior Manager	\$625 - \$725
Manager	\$600 - \$650
Senior	\$350 - \$425
Staff	\$150 - \$200

The Client shall also pay E&Y's expenses and reimbursements in accordance with the terms of the Agreement.

We will submit an itemized and detailed billing statement and we will request payment of our fees and expenses in accordance with the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Rules for the United States Bankruptcy Court for the District of Delaware and any relevant orders of the Bankruptcy Court.

Any project timelines for Services under this SOW assume the Client will timely provide, or cause to be provided, to E&Y all appropriate information and assistance, and that the scope and complexity of such services are consistent with our prior discussions, as well as the description thereof above. If, during the term of this SOW, E&Y determines that any additional work is necessary, whether at Client's request or because the complexity of the project increases, E&Y will promptly contact Client to discuss any adjustments to the scope of work and the Client obtaining Bankruptcy Court approval before proceeding, if necessary.

Nortek, Inc.

October 19, 2009

Please indicate Client's acceptance of these additional terms and conditions by executing this SOW in the space provided below and return it to Chris Jackson at your earliest convenience.

Thanks again for your selection of our firm.

Very truly yours,

Ernst & Young LLP

Ernst & Young LLP

Agreed and accepted by
Nortek, Inc.

By: _____

Almon C. Hall

Mr. Almon C. Hall
Vice President, Chief Financial Officer

Date: _____

10/19/09

Copy to: Joseph M. Cianciolo
Director and Chairman of the Audit Committee