

EQUIPMENT PURCHASE AGREEMENT

THIS EQUIPMENT PURCHASE AGREEMENT (the "Agreement") is made as of this ____ day of _____, 2005, by and between **TOWER AUTOMOTIVE PRODUCTS COMPANY, INC.**, a Delaware corporation, of 27175 Haggerty Road, Novi, Michigan 48377-3626 ("Seller"), and METALSA, S. de R.L., a Mexican corporation, of Carretera Miguel Aleman Km. 16.5 N° 100, Apodaca, N.L., 66000, Mexico ("Buyer").

BACKGROUND

Seller is a debtor and debtor in possession in procedurally-consolidated cases pending in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), pending under Case No. 05-10578.

On the terms and subject to the conditions set forth in this Agreement and subject to the express approval of the Bankruptcy Court pursuant to section 363 of the Bankruptcy Code (the "Sale Order"), Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, all of the Assets (as defined below), including without limitation, and as set forth more fully below, an electronic coating system and certain documents and warranties related thereto.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller hereby agree as follows:

1. **Sale of Equipment**. Subject to and upon the terms and conditions set forth in this Agreement, at the Closing (hereinafter defined), Seller shall sell, transfer, convey, assign and deliver to the Buyer, free and clear of all liens, claims and encumbrances, and Buyer shall purchase and acquire from Seller, free and clear of all liens, claims and encumbrances, all right, title and interest of Seller in and to (i) the Eisenhower Electric Coating System located at the facility owned by Seller in Milwaukee, Wisconsin, United States of America (the "Premises"), as more particularly described on attached Exhibit A (the "Equipment"), (ii) any and all drawings, designs, specifications, simulation processes, bills of material, plans, diagrams, CAD data, software, software programs, source codes, instructions, manuals, maintenance and repair procedures, spare parts lists, and other writings or documents (whether in printed or digital form) used in connection with any of the Equipment, in each case only to the extent owned by Seller and in Seller's possession and assignable and transferable to Buyer without the consent of a third party (the "Equipment Documentation"), and (iii) all manufacturer and vendor warranties that relate to the Equipment, in each case only to the extent owned by Seller and assignable and transferable to Buyer without the consent of a third party (the "Warranties", and collectively, with the Equipment and the Equipment Documentation, the "Assets").

2. **Closing**. Subject to the satisfaction of each condition precedent set forth in this Agreement, the closing of the transactions contemplated by this Agreement (the "Closing") shall occur on June 30, 2005 (the "Closing Date"). At the Closing, Seller shall execute a bill of sale in the form attached as Exhibit B and convey the Assets to Buyer as required by this Agreement, free and clear of liens or encumbrances. At the Closing, subject to prior approval of this

Agreement by the Bankruptcy Court, Buyer shall pay Seller a purchase price for the Assets of One Million United States Dollars (US\$1,000,000), in cash or its equivalent, by wire transfer (the "Purchase Price").

3. **Possession of Assets.** On the Closing Date, Buyer shall (a) take possession of the Assets, and (b) remove the Assets (and any and all chemicals and waste related to the Assets) from Seller's Premises. On the Closing Date, Buyer shall further make any and all repairs, replacements and improvements, and take any other actions, that are made necessary by the removal of the Assets from the Premises, or that are necessary to leave the portion of the Premises from which the Assets are removed (and any other portion of the Premises that are impacted by the removal of the Assets) in a good, safe, usable and clean condition, and in a condition reasonably acceptable to Seller. Without limitation to the foregoing, on the Closing Date, Buyer shall fill-in and secure all pits related to the Assets. Buyer shall take all of the foregoing actions (a) in a safe manner and in compliance with all applicable laws, rules and regulations, (b) in a manner that is reasonably acceptable to Seller, (c) in compliance with all safety and other rules and requirements imposed by Seller, (d) in a manner that does not damage the Premises or any of Seller's property, and (e) in a manner that does not unreasonably interfere with the operation of Seller's business. Buyer shall indemnify and hold Seller harmless from any and all damages, liabilities, costs and expenses arising from or related to any of the foregoing actions, or any other actions or omissions of Buyer related to the Assets.

4. **Representations and Warranties of Seller.** Seller hereby represents and warrants to and in favor of Buyer that:

(a) On the Closing Date, Seller will hold good and marketable title to the Assets, free and clear of liens and encumbrances.

(b) Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.

(c) The execution and delivery by Seller of this Agreement, and the performance by Seller hereunder, have been duly authorized by all requisite corporate action and proceedings of Seller. This Agreement has been duly executed and delivered by Seller, and this Agreement is the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect which affect creditors' rights generally.

(d) Seller has not retained or employed any broker, finder or similar agent or otherwise taken any action in connection with the negotiations relating to this Agreement and the transactions contemplated hereby, in a manner which gives rise to any claim against any of the parties hereto for a brokerage commission, finder's fee or other similar payment.

Except with respect to the representations and warranties expressly contained in this Agreement, Buyer is acquiring the Assets "AS IS, WHERE IS" AND "WITH ALL FAULTS", AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, OF ANY KIND WITH RESPECT TO THE ASSETS OR OTHERWISE, AND SELLER SPECIFICALLY DISCLAIMS AND DOES NOT MAKE ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5. **Representations and Warranties of Buyer.** Buyer hereby represents and warrants to and in favor of Seller that:

(a) Buyer is a corporation duly organized, validly existing and in good standing under the laws of Mexico, and has the corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.

(b) The execution and delivery by Buyer of this Agreement, and the performance by Buyer hereunder, have been duly authorized by all requisite corporate action and proceedings of Buyer. This Agreement has been duly executed and delivered by Buyer, and this Agreement is the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect which affect creditors' rights generally.

(c) Buyer has not retained or employed any broker, finder or similar agent or otherwise taken any action in connection with the negotiations relating to this Agreement and the transactions contemplated hereby, in a manner which gives rise to any claim against any of the parties hereto for a brokerage commission, finder's fee or other similar payment.

6. **Conditions to Effectiveness of Agreement.** The obligations of Seller to sell the Assets and to consummate the transaction contemplated hereby and the obligations of the Buyer to purchase the Assets to consummate the transaction contemplated hereby are subject to the satisfaction on or prior to the Closing, of each of the following conditions:

(a) The Sale Order shall have been entered by the Bankruptcy Court.

(b) The Seller shall not have received a higher and better offer (to be determined in the Sellers' sole discretion) for the Assets from any other party prior to the hearing to be conducted by the Bankruptcy Court to consider approval of the Sale Order.

7. **Risk of Loss.** The risk of loss of the Assets shall, at all times prior to the Closing, be borne solely by Seller.

8. **Expenses.** Except as otherwise expressly provided in this Agreement, each party shall pay all of its respective costs and expenses incident to its negotiation, preparation and performance of this Agreement and all transactions contemplated in this Agreement, including, but not limited to, the fees, expenses and disbursements of its counsel and accountants.

8. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be considered an original counterpart, and shall become a binding agreement when each party shall have executed one counterpart and delivered it to the other party.

9. **Modification** This Agreement cannot be amended, altered, supplemented or modified, unless done so in a writing, signed by a duly authorized representative of the party against whom such modification is sought to be enforced.

10. **Waiver.** No provision of this Agreement shall be waived by any party hereto, unless such waiver is in a writing, signed by a duly authorized representative of the party against whom such waiver is sought to be enforced. A waiver by either party of any breach or failure to comply with any provision of this Agreement by the other party shall not be construed as or constitute a continuing waiver of such provision or a waiver of any other breach of or failure to comply with any other provision of this Agreement.

11. **Termination of Representations and Warranties.** The representations and warranties made by Seller and Buyer herein shall terminate as of the Closing. Buyer shall have no right to seek indemnification subsequent to the Closing based on a breach of a representation and/or warranty made by Seller herein or in any other document or instrument entered into by Seller in connection herewith.

12. **Representation by Counsel; Mutual Negotiation** Each party has been represented or has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request, direction and construction of the parties, at arm's length, with the advice and participation of counsel (or the opportunity to obtain the advice and participation of counsel), and will be interpreted in accordance with its terms without favor to any party.

13. **Severability.** The parties believe that every provision of this Agreement is effective and valid under applicable law, and whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid. If any portion of this Agreement is found to be invalid or unenforceable for any reason, any court or other tribunal adjudicating the rights and duties of the parties under this Agreement shall alter, modify or strike portions of the Agreement so that it will be enforceable to the fullest extent permitted by law.

14. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement. The provisions of this Agreement shall supersede all contemporaneous oral agreements, communications and understandings and all prior oral and written communications, agreements and understandings between the parties with respect to the subject matter of this Agreement. Each party acknowledges that no representation, inducement or condition not set forth herein has been made or relied upon by either party.

15. **Notices and Payments.** All notices and demands required or permitted by this Agreement shall be in writing. All notices, demands and payments required or permitted by this Agreement shall be deemed properly made: (a) upon personal delivery to the relevant address set

forth on the first page of this Agreement or such other relevant address as may be specified in writing by the relevant party; or (b) upon deposit with a recognized overnight courier, postage prepaid, addressed to the relevant address set forth on the first page of this Agreement or such other relevant address as may be specified in writing by the relevant party. Proof of sending any notice, demand or payment shall be the responsibility of the sender.

16. **Headings.** The headings used herein have been used for the convenience of the parties and are not to be used in construing this Agreement.

17. **Governing Law; Dispute Resolution.** This Agreement and the rights and obligations of the parties under this Agreement, will be governed, construed, interpreted and enforced in accordance with the domestic laws of the State of Michigan, United States of America, and not by any other foreign or international law, convention or treaty, regardless of any choice of law or conflict of law provision or rule of any other jurisdiction that would cause the application of the laws of any other jurisdiction. Any controversy or claim arising out of or relating to this Agreement, or the rights and obligations of the parties under this Agreement, will be settled by binding arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce, by one (1) arbitrator appointed in accordance with said rules. Any such controversy or claim will be arbitrated on an individual basis and will not be consolidated in any arbitration with any claim or controversy of any other party; provided, however, that nothing contained herein will preclude any party hereto from seeking or obtaining (a) injunctive relief, or (b) equitable or other judicial relief to enforce the provisions hereof or to preserve the status quo pending resolution of disputes hereunder. Any arbitration proceeding will be conducted in Novi, Michigan, United States of America. Arbitration procedures and any proceedings will be conducted in the English language and any and all documents produced or issued in connection with or arising out of the arbitration will be written in the English language. The parties specifically instruct the arbitrator to consider rulings, orders, and awards (either interim, interlocutory, partial or final) of equitable relief, including directing specific performance or issuing an injunction, particularly if an award of money damages alone would not sufficiently compensate the claiming party. Judgment on the arbitrator's award may be entered in any United States of America federal or state court located in Oakland County, Michigan, United States of America having and the parties hereby irrevocably consent to the jurisdiction of any such court for the purpose of enforcing any such award. The arbitrator will allocate in the final award all costs incurred in conducting the arbitration in accordance with what the arbitrator deems just and equitable under the circumstances, including placing the entire burden on the nonprevailing party. Each party further irrevocably consents to the service of process out of any of the aforesaid courts and any such action or proceeding by the mailing of copies thereof by registered mail, postage prepaid, to it.

18. **English Language Controls.** Notwithstanding any translation into or occurrence of in any other language, of this Agreement or of any document related in any way to this Agreement or any dispute related hereto, the English language version thereof will control, and any translations into or occurrence of in any other language(s) will be of no effect whatsoever, and in the event of any disagreement between the English language version thereof and a version thereof in any other language, the non-English language version will be null and void and of no

effect. All references in this Agreement to amounts of money are references to United States of America Dollars.

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as of the day and year first hereinabove set forth.

SELLER:

**TOWER AUTOMOTIVE PRODUCTS
COMPANY, INC.**

By: _____
Name: _____
Title: _____

BUYER:

METALSA, S de R.L.

By: _____
Name: _____
Title: _____