

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (this "Agreement"), dated as of August 11, 2010, is entered into by and between Thule AB ("Thule"), Castle Harlan, Inc., a Delaware Corporation ("Castle Harlan"), Castle Harlan Partners IV LP, a Delaware limited partnership ("CHLP") and CHAAS Acquisitions, LLC ("CHAAS") (together, the "Parties").

WHEREAS, Thule purchased an automotive tow bar and roof rack accessory business from Advanced Accessory Holdings Corporation, AAS Acquisitions, LLC, CHAAS, and Valley Industries, LLC (c/k/a AAS Accessory Group, LLC) (collectively, the "Sellers"), pursuant to a Purchase Agreement dated as of May 17, 2006 (the "Purchase Agreement");

WHEREAS, Thule, CHAAS, and Mellon Investor Services LLC (the "Escrow Agent") are parties to an Escrow Agreement dated as of September 6, 2006 (the "Escrow Agreement"), whereby a Letter of Credit dated as of September 1, 2006 (the "Letter of Credit") issued by Citibank, N.A. (the "LC Issuer"), in the amount of \$16,000,000 (the "Escrow Amount") was delivered to the Escrow Agent to secure certain indemnity obligations of the Sellers under the Purchase Agreement;

WHEREAS, on or about May 22, 2009, Thule filed a Complaint against the Sellers in the U.S. District Court for the Southern District of New York (the "District Court"), Docket No. 09 CV 00091, seeking certain indemnification payments through a draw down on the Letter of Credit (the "Action");

WHEREAS, on or about June 26, 2009, the Sellers filed for Chapter 7 Bankruptcy in the U.S. Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"), and

as a result, the litigation between Thule and the Sellers was automatically stayed, pursuant to 11 U.S.C. § 362(a);

WHEREAS, on or about December 10, 2009, the Bankruptcy Court issued a modified stay order (the "December 10, 2009 Order"), which allowed Thule to continue the Action against only CHAAS and authorized Thule and CHAAS to proceed with litigation to final judgment, including any appeals, or other resolution;

WHEREAS, after the Bankruptcy Court modified the automatic stay, the District Court held, in a Memorandum and Order dated June 1, 2010 (the "June 1, 2010 Order"), that Thule was entitled to draw down on the Letter of Credit;

WHEREAS, in a Judgment dated July 22, 2010 (the "Judgment"), the District Court held that Thule was entitled to recover \$5,859,945.79 (the "Judgment Amount") from funds available pursuant to the Escrow Agreement, and also directed that CHAAS execute a certificate of payment authorizing the release of the Judgment Amount by the Escrow Agent to Thule;

WHEREAS, CHAAS appealed both the June 1, 2010 Order and the Judgment to the U.S. Court of Appeals for the Second Circuit, Docket Numbers 10-2628 and 10-2967, respectively (the "Pending Appeals");

WHEREAS, David W. Allard is the Chapter 7 Trustee (the "Trustee") for CHAAS;

WHEREAS, the Parties hereto desire to settle all claims in the manner set forth herein;

WHEREAS, Thule has required a release from Castle Harlan and CHLP as a condition to the resolution of the claims asserted in the Action;

WHEREAS, Castle Harlan and CHLP have required a release from Thule and its affiliates and from CHAAS (albeit the CHAAS release is subject to Bankruptcy Court approval, which is expected to occur following the effectiveness of this Agreement) as a condition to resolution of the matters set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals, and the covenants, agreements and releases set forth below, and for other good and valuable consideration, the Parties agree as follows:

1. Payment and Certificate of Payment. In consideration of the mutual covenants made herein, the Trustee shall concurrently with the execution and delivery of the Agreement by the Parties, execute and deliver to Thule by facsimile (with an original copy to follow via overnight mail service) a certificate in the form of Exhibit A attached hereto (a "Certificate of Payment"), instructing the Escrow Agent to pay Thule the sum of Six Million One Hundred Thousand Dollars (\$6,100,000) (the "Payment Amount") by drawing down on the Letter of Credit. Thule shall deliver the Certificate of Payment to the Escrow Agent.

2. Demand for Payment. Contemporaneously with the delivery of the Certificate of Payment to the Escrow Agent, Thule shall deliver to the Escrow Agent a demand for payment substantially in the form of Exhibit B attached hereto (the "Demand for Payment") for the Escrow Agent to present to the LC Issuer when demanding that the Letter of Credit be drawn down to satisfy the Payment Amount.

3. Cancellation of the Letter of Credit and Escrow Agreement. Effective immediately after the Payment Amount has been received by Thule (the "Payment Date"), both the Escrow Agreement and the Letter of Credit shall terminate in full, without further action, and shall no longer be effective or binding. Thule agrees that it will not (a) request or demand any

further draws on the Letter of Credit as long as the CH Group and CHAAS are in compliance with this Agreement (except to the extent necessary to enforce payment of the Payment Amount following Thule's delivery of the Certificate of Payment and Demand for Payment to the Escrow Agent pursuant to this Agreement) or (b) from and after the Payment Date assert any further claims or issue any further Demands for Payment or otherwise assert any claim (including, without limitation, any claim for indemnification relating to the Purchase Agreement, the Letter of Credit, or the Escrow Agreement) against CHAAS, the Trustee, Castle Harlan or CHLP, any of their affiliates or any Releasees (as defined below). Notwithstanding the foregoing, to the extent that any amounts are ever paid to Thule by the Escrow Agent (solely in his capacity as such) in excess of the Payment Amount, Thule shall promptly pay all such amounts to Castle Harlan or its designee, as evidenced in a writing signed by an authorized representative of Castle Harlan.

4. Dismissal of Appeals. As soon as practicable after the execution and delivery of this Agreement, CHAAS and Thule shall notify the United States Court of Appeals for the Second Circuit that the Parties have reached a resolution and request that the Pending Appeals be stayed until the Pending Appeals are dismissed pursuant to this Agreement. On the Payment Date, or as soon thereafter as practicable, CHAAS and Thule shall execute a stipulation of dismissal with prejudice of the Pending Appeals in substantially the form attached hereto as Exhibit C, which CHAAS will promptly file on or after the Payment Date.

5. Thule Release. For and in consideration of the promises and covenants contained in the Agreement, Thule, on behalf of itself and its past, present, and future successors, predecessors, assigns, parents, subsidiaries, and affiliates, and each of the current and former officers, directors, managers, trustees, shareholders, employees, agents, attorneys, advisors,

participants, beneficiaries, representatives, and counsel of each of the foregoing (the "Thule Releasing Parties") hereby voluntarily, absolutely, irrevocably, unconditionally and knowingly waives, releases and forever discharges and acquits:

- a) CHAAS;
- b) David W. Allard, both individually and in his capacity as CHAAS' Chapter 7 Trustee;
- c) Schulte Roth & Zabel LLP;
- d) Allard & Fish, P.C.;
- e) Castle Harlan Partners IV, L.P.;
- f) Castle Harlan Offshore Partners IV, L.P.;
- g) Castle Harlan Affiliates IV QP, L.P.;
- h) Castle Harlan Affiliates IV AI, L.P.;
- i) Frogmore Forum Family Fund LLC;
- j) Branford Castle Holdings IV, Inc.;
- k) Castle Harlan, Inc. and its current and former officers, directors, shareholders, and employees;
- l) Advanced Accessory Holdings Corporation;
- m) AAS Acquisitions, LLC;
- n) Valley Industries, LLC (c/k/a AAS Accessory Group, LLC);

and each of their predecessors, successors, parents, subsidiaries, affiliates, divisions, and each of their current and former officers, directors, agents, attorneys, employees, members, partners, shareholders, beneficiaries, assigns, heirs, executors, administrators, trusts, trustees, and counsel (each a "Releasee"; collectively, the "Releasees") of and from any and all actions, causes of

action, suits, debts, dues, sums of money, accounts, reckonings, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, claims, demands, damages (including, but not limited to punitive damages), expense costs, attorneys' fees or other liabilities of whatsoever kind or nature (whether individual, collective, direct or derivative) in law or in equity, whether they be judicial, quasi-judicial or administrative in nature, whether known or unknown and whether or not asserted, which against any or all of the Releasees that the Thule Releasing Parties and/or the Thule Releasing Parties' heirs, executors, administrators, successors and assigns ever had, now have or hereafter can, shall or may have for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world until the date the Parties execute this Agreement. Notwithstanding anything to the contrary in the releases contained in this Agreement, the Thule Releasing Parties further agree that each of the rights and obligations set forth in this Agreement and the performance hereunder shall not be released. This release shall become effective as of the Payment Date.

6. Castle Harlan Release of Thule. Contemporaneously with the execution and delivery of this Agreement, Castle Harlan and CHLP (the "CH Group") have executed and delivered the release in favor of Thule, effective as of the Payment Date, a copy of which is attached hereto as Exhibit D-1 (the "CH-Thule Release"). Delivery of the executed CH-Thule Release attached hereto as Exhibit D-1 is a condition to the effectiveness of this Agreement.

7. Trustee Releases. (i) The CH Group shall execute a release in favor of CHAAS, Allard & Fish, P.C. and the Trustee, in the form attached hereto as Exhibit D-2 (the "CH Release"); (ii) the Trustee shall execute a release in favor the CH Group, in the form attached hereto as Exhibit D-3 (the "Trustee Release") (iii) CHAAS shall execute a release in favor of the CH Group, in the form attached hereto as Exhibit D-4 (the "CHAAS Release") (together with the

Trustee Release, the "CHAAS Releases"), (iv) Allard & Fish, P.C. shall execute a release in favor of the CH Group, in the form attached hereto as Exhibit D-5 (the "Allard & Fish Release"). The releases set forth in this paragraph 7 shall be delivered concurrently with execution of this Agreement but shall be conditioned as follows: The Trustee shall file a motion under Fed. R. Bankr. P. 9019 in the Bankruptcy Court within five business days of the Payment Date seeking approval of the Trustee's execution and delivery of the CHAAS Releases. The effectiveness of the Allard & Fish Release and the CH Release shall be conditioned upon Bankruptcy Court approval and effectiveness of the CHAAS Releases. Approval of the CHAAS Releases by the Bankruptcy Court is not a condition precedent to the obligations of any party under this Agreement except as it relates to the effectiveness of the releases provided for in this paragraph 7.

8. No Admission of Liability. This Agreement is a compromise intended to avoid any current or future disputes between the Parties and is not an admission of any liability or wrongful conduct by any Party, such liability or conduct being expressly denied. Further, the fact of or terms of this Agreement shall not be offered, construed, or deemed to be evidence of a presumption, concession, or admission of liability or wrongful conduct by any Party in any civil, administrative, or any other proceeding.

9. Trustee Representations. As of the date of this Agreement, to the best of his knowledge, the Trustee is aware of no claims assertable by the Trustee against the CH Group. The Trustee further represents that the schedules of assets and liabilities filed in the CHAAS bankruptcy case reflect that the aggregate amount of claims (except intercompany claims) asserted by creditors against CHAAS who are not Parties to this Agreement is less than \$60,000. To the best of his knowledge as of the date of this Agreement, the Trustee is unaware of any additional claims against the CHAAS estate.

10. Choice of Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, without giving effect to any of its principles of conflict of laws that would result in the application of the laws of any jurisdiction other than the State of New York.

11. Forum Selection. The Parties hereby irrevocably submit to the exclusive jurisdiction of any federal or state court located in New York County, New York over any dispute arising out of or in any way relating to (directly or indirectly) this Agreement, or any action contemplated by this Agreement, or addendum to this Agreement and each Party hereby irrevocably agrees that all claims in respect of such dispute or any suit, action or proceeding related thereto may be heard and determined in such courts.

12. Sufficiency of Consideration. The Parties acknowledge that the covenants contained in this Agreement provide good and sufficient consideration for every promise, duty, release, obligation, agreement and right contained in this Agreement.

13. Complete Agreement. This Agreement (including the exhibits attached hereto) constitutes the entire agreement and understanding between the Parties regarding the matters addressed herein. No representation, promise, understanding, or agreement of any kind whatsoever regarding the matters referenced herein that is not set forth in this Agreement has been relied upon by any party or shall be valid, binding or enforceable.

14. Severability. If any term or provision of this Agreement is held to be invalid or unenforceable, that term or provision shall be ineffective and severable to the extent of such invalidity or unenforceability and the remaining terms and provisions shall continue in full force and effect.

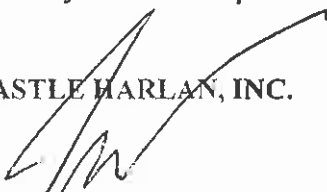
15. Cooperation. The Parties shall cooperate in good faith to ensure that the Agreement and all actions contemplated by the Agreement are effectuated in accordance with the Agreement and shall take all reasonable steps to ensure that this Agreement is fully enforceable.

16. Copies. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall be considered one instrument and shall become binding when one or more counterparts have been signed by each of the Parties and delivered to the other. Signatures to this Agreement and the releases provided pursuant to this Agreement provided by facsimile shall be deemed original signatures.

IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement


by a duly authorized representative of such Parties.

CASTLE HARLAN, INC.



By: John K. Castle
Title: Chairman + CEO

CASTLE HARLAN PARTNERS IV, LP



By: John K. Castle
Title: Chairman

CHAAS ACQUISITIONS, LLC

By: David W. Allard
Title: Chapter 7 Trustee for CHAAS Acquisitions, LLC

THULE AB

By:
Title: