SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14D-1
TENDER OFFER STATEMENT
Pursuant to Section 14(d)(1)
of the Securities Exchange Act of 1934
and
SCHEDULE 13D
Pursuant to Section 13(d)
of the Securities Exchange Act of 1934

CADE INDUSTRIES, INC.
(Name of Subject Company)

SPHERE CORPORATION
a wholly owned subsidiary of

UNITED TECHNOLOGIES CORPORATION
(Bidders)

Common Stock, Par Value $.001 Per Share
(including the associated rights to purchase common stock)
(Title of Class of Securities)

127382-10-9

(CUSIP Number of Class of Securities)

William H. Trachsel, Esq.
Senior Vice President, General Counsel and Secretary
United Technologies Corporation
One Financial Plaza
Hartford CT 06101
(860) 728-7000

(Name, Address and Telephone Number of Persons authorized to Receive Notices
and Communications on Behalf of Bidders)

Copies to:
Christopher E. Austin
Cleary, Gottlieb, Steen & Hamilton
One Liberty Plaza
New York, New York 10006
(212) 225-2000

CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee**
$116,038,657	$23,208

* For purposes of calculating the amount of the filing fee only. Based upon 22,977,952 shares of common stock, par value $.001 per share of Cade Industries, Inc. (the "Common Stock"), including the associated rights to purchase common stock (the "Rights" and together with the Common Stock, the "Shares"), at a price per Share of $5.05 in cash.

** The filing fee, calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, is 1/50(th) of one percent of the aggregate Transaction Valuation.

[_Check]box if any part of the fee is offset as provided for by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was

previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:	None
Form or Registration No.:	N/A
Filing Party:	N/A
Date Filed:	N/A

- ---
- ---

1.
Name of Reporting Person S.S. or I.R.S. Identification
No. of Person Above

Sphere Corporation

- ---

2.
Check the Appropriate Box if a member of a Group (a) [_]
(b) [_]

- ---

3.
SEC Use Only

- ---

4.
Sources of Funds

AF

- ---

5.
Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(e) or 2(f) [_]

- ---

6.
Citizenship or Place of Organization

Wisconsin

- ---

7.
Aggregate Amount Beneficially Owned by Each Reporting Person

6,088,723*

- ---

8.
Check Box if the Aggregate Amount in Row (7) Excludes Certain Shares [_]

- ---

9.
Percent of Class Represented by Amount in Row (7)

Approximately 26.5%

- ---

10.
Type of Reporting Person

CO

- ---

* On October 21, 1999, Sphere Corporation ("Purchaser"), a wholly owned subsidiary of United Technologies Corporation ("Parent"), entered into a Shareholder Option Agreement with certain shareholders (the "Shareholders") of Cade Industries, Inc., a Wisconsin corporation (the "Company"), who, in the aggregate, own 6,088,723 shares of the common stock, par value $.001 per share, of the Company, including the associated rights to purchase common stock (the "Shares"). Pursuant to the Shareholder Option Agreement the Shareholders have agreed to (i) tender in the Offer and not withdraw all the

Shares owned by the Shareholders, (ii) grant Purchaser an option to purchase their Shares at an exercise price of $5.05 per Share (subject to adjustment in certain circumstances) exercisable upon the occurrence of certain events specified in the Shareholder Option Agreement and (iii) grant Purchaser the power to direct the vote of the Shares and irrevocably grant to and appoint Purchaser proxy and attorney in-fact to vote the Shares with respect to certain matters. The Shareholder Option Agreement is described in Section 11 of the Offer to Purchase dated as of October 21, 1999 filed as Exhibit (a)(1) to this Schedule 14D-1.

1.
Name of Reporting Person S.S. or I.R.S. Identification
No. of Person Above

United Technologies Corporation

- ---

2.
Check the Appropriate Box if a member of a Group (a) [_]
(b) [_]

- ---

3.
SEC Use Only

- ---

4.
Sources of Funds

WC

- ---

5.
Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(e) or 2(f) [_]

- ---

6.
Citizenship or Place of Incorporation

Delaware

- ---

7.
Aggregate Amount Beneficially Owned by Each Reporting Person

6,088,723*

- ---

8.
Check Box if the Aggregate Amount in Row (7) Excludes Certain Shares [_]

- ---

9.
Percent of Class Represented by Amount in Row (7)

Approximately 26.5%

- ---

10.
Type of Reporting Person

CO

- ---

* On October 21, 1999, Sphere Corporation ("Purchaser"), a wholly owned subsidiary of United Technologies Corporation ("Parent"), entered into a Shareholder Option Agreement with certain shareholders (the "Shareholders") of Cade Industries, Inc., a Wisconsin corporation (the "Company"), who, in the aggregate, own 6,088,723 shares of the common stock, par value $.001 per share, of the Company, including the associated rights to purchase common stock (the "Shares"). Pursuant to the Shareholder Option Agreement the Shareholders have agreed to (i) tender in the Offer and not withdraw all the

Shares owned by the Shareholders, (ii) grant Purchaser an option to purchase their Shares at an exercise price of $5.05 per Share (subject to adjustment in certain circumstances) exercisable upon the occurrence of certain events specified in the Shareholder Option Agreement and (iii) grant Purchaser the power to direct the vote of the Shares and irrevocably grant to and appoint Purchaser proxy and attorney in-fact to vote the Shares with respect to certain matters. The Shareholder Option Agreement is described in Section 11 of the Offer to Purchase dated as of October 21, 1999 filed as Exhibit (a)(1) to this Schedule 14D-1. Because Parent owns all of the capital stock of Purchaser, Parent may be deemed to beneficially own the Shares subject to the Shareholder Option Agreement.

This Schedule 14D-1 Tender Offer Statement relates to the offer by Sphere Corporation ("Purchaser"), a Wisconsin corporation and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation ("Parent"), to purchase all outstanding shares of common stock, par value $.001 per share (the "Common Stock"), including the associated rights to purchase Common Stock (the "Rights" and, together with the Common Stock, the "Shares"), of Cade Industries, Inc., a Wisconsin corporation (the "Company"), at a purchase price of $5.05 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase and the related Letter of Transmittal (which together constitute the "Offer") which are annexed to and filed with this Schedule 14D-1 as Exhibits (a)(1) and (a)(2), respectively. This Schedule is being filed on behalf of Purchaser and Parent.

This Statement also constitutes a Statement on Schedule 13D with respect to the beneficial ownership of Shares resulting from the Shareholder Option Agreement. The item numbers and the responses thereto are in accordance with the requirements of Schedule 14D-1.

Item 1. Security and Subject Company.

(a) The name of the subject company is Cade Industries, Inc., a Wisconsin corporation, whose principal executive offices are located at 2365 Woodlake Drive, Suite 120, Okemos, Michigan 48864.

(b) Reference is hereby made to the information set forth in "Introduction" and Section 1 ("Terms of the Offer") of the Offer to Purchase which is incorporated herein by reference.

(c) Reference is hereby made to the information set forth in Section 6 ("Price Range of Shares; Dividends") of the Offer to Purchase, which is incorporated herein by reference.

Item 2. Identity and Background.

(a)-(d) & (g) This Statement is being filed on behalf of Parent and Purchaser for purposes of the Schedule 14D-1. Reference is hereby made to the information set forth in "Introduction", Section 9 ("Certain Information Concerning Purchaser and Parent") and Schedule A ("Directors and Executive Officers of Parent and Purchaser") of the Offer to Purchase, which is incorporated herein by reference.

(e)-(f) During the last five years, neither Purchaser nor Parent, nor, to the best of their knowledge, any of their respective directors or executive officers listed in Schedule A ("Directors and Executive Officers of Parent and Purchaser") of the Offer to Purchase, which is incorporated herein by reference, (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which any such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting activities subject to, federal or state securities laws, or finding any violation with respect to such laws.

Item 3. Past Contacts, Transactions or Negotiations with the Subject Company.

(a)-(b) Reference is hereby made to the information set forth in "Introduction", Section 9 ("Certain Information Concerning Purchaser and Parent"), Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("Purpose of the Offer; Plans for the Company; the Merger Agreement; the Shareholder Option Agreement; Executive Employment Agreements") and Section 12 ("Rights Agreement") of the Offer to Purchase, which is incorporated herein by reference.

Item 4. Source and Amount of Funds or Other Consideration.

(a)-(b) Reference is hereby made to the information set forth in Section 13 ("Source and Amount of Funds") of the Offer to Purchase, which is incorporated herein by reference.

(c) Not applicable.

Item 5. Purpose of the Tender Offer and Plans or Proposals of the Bidder.

(a)-(g) Reference is hereby made to the information set forth in "Introduction", Section 7 ("Possible Effect of the Offer on the Market for the Shares; Nasdaq Listing; Margin Regulations and Exchange Act Registration"), Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("Purpose of the Offer; Plans for the Company; the Merger Agreement; the Shareholder Option Agreement; Executive Employment Agreements") and Section 12 ("Rights Agreement") of the Offer to Purchase, which is incorporated herein by reference.

Item 6. Interest in Securities of the Subject Company.

(a)-(b) Reference is hereby made to the information set forth in Section 9 ("Certain Information Concerning Purchaser and Parent") and Section 11 ("Purpose of the Offer; Plans for the Company; the Merger Agreement; the Shareholder Option Agreement; Executive Employment Agreements") of the Offer to Purchase, which is incorporated herein by reference.

Item 7. Contracts, Arrangements, Understandings or Relationships with Respect to the Subject Company's Securities.

Reference is hereby made to the information set forth in "Introduction", Section 9 ("Certain Information Concerning Purchaser and Parent"), Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("Purpose of the Offer; Plans for the Company; the Merger Agreement; the Shareholder Option Agreement; Executive Employment Agreements"), Section 12 ("Rights Agreement") and Section 15 ("Certain Legal Matters") of the Offer to Purchase, which is incorporated herein by reference.

Item 8. Persons Retained, Employed or to be Compensated.

Reference is hereby made to the information set forth in Section 16 ("Fees and Expenses") of the Offer to Purchase, which is incorporated herein by reference.

Item 9. Financial Statements of Certain Bidders.

Reference is hereby made to the information set forth in Section 9 ("Certain Information Concerning Purchaser and Parent") of the Offer to Purchase, which is incorporated herein by reference.

Item 10. Additional Information.

(a) Reference is hereby made to the information set forth in "Introduction", Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("Purpose of the Offer; Plans for the Company; the Merger Agreement; the Shareholder Option Agreement; Executive Employment Agreements"), Section 12 ("Rights Agreement") and Section 14 ("Certain Conditions of the Merger") of the Offer to Purchase, which is incorporated herein by reference.

(b)-(c) Reference is hereby made to the information set forth in Section 1 ("Terms of the Offer"), Section 11 ("Purpose of the Offer; Plans for the Company; the Merger Agreement; the Shareholder Option

Agreement; Executive Employment Agreements"), Section 14 ("Certain Conditions of the Merger") and Section 15 ("Certain Legal Matters") of the Offer to Purchase, which is incorporated herein by reference.

(d) Reference is hereby made to the information set forth in Section 7 ("Possible Effect of the Offer on the Market for the Shares; Nasdaq Listing; Margin Regulations and Exchange Act Registration") of the Offer to Purchase, which is incorporated herein by reference.

(e) Reference is hereby made to Section 15 ("Certain Legal Matters") of the Offer to Purchase, which is incorporated herein by reference.

(f) Reference is hereby made to the entire texts of the Offer to Purchase, the related Letter of Transmittal, the Notice of Guaranteed Delivery, the Agreement and Plan of Merger dated as of October 21, 1999, among Parent, Purchaser and the Company, the Shareholder Option Agreement dated as of October 21, 1999, among Purchaser and certain shareholders of the Company named therein and the Confidentiality Agreement dated as of September 22, 1999, between the Company and Parent, copies of which are attached hereto as exhibit (a)(1), (a)(2), (a)(3), (c)(1), (c)(2) and (c)(3) respectively, which are incorporated herein by reference.

Item 11. Material to be filed as Exhibits.

See Exhibit Index attached hereto.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: October 21, 1999

UNITED TECHNOLOGIES CORPORATION

/s/ William H. Trachsel
By: _____
Name: William H. Trachsel
Title: Senior Vice President,
General Counsel and Secretary

SPHERE CORPORATION

/s/ Ari Bousbib
By: _____
Name: Ari Bousbib
Title: President and Director

EXHIBIT INDEX

Exhibit Number	Exhibit Name	Page Number
(a)(1)	Offer to Purchase, dated October 21, 1999.	
(a)(2)	Form of Letter of Transmittal.	
(a)(3)	Form of Notice of Guaranteed Delivery.	
(a)(4)	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.	
(a)(5)	Form of Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.	
(a)(6)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.	
(a)(7)	Text of press release issued by Parent and the Company on October 21, 1999.	
(a)(8)	Summary Advertisement, published October 21, 1999.	
(b)	Not applicable.	
(c)(1)	Agreement and Plan of Merger, dated as of October 21, 1999, among Parent, Purchaser and the Company.	
(c)(2)	Shareholder Option Agreement, dated as of October 21, 1999, among Purchaser and certain shareholders of the Company named therein.	
(c)(3)	Confidentiality Agreement, dated as of September 22, 1999, between the Company and Parent.	
(d)	None.	
(e)	None.	
(f)	None.	

Offer to Purchase for Cash
All of the Outstanding Shares of Common Stock
(Including the Associated Rights to Purchase Common Stock)
of
Cade Industries, Inc.
at
$5.05 Net Per Share
by
Sphere Corporation
a wholly owned subsidiary of
United Technologies Corporation

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, NOVEMBER 19, 1999, UNLESS THE OFFER IS EXTENDED

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, THERE BEING VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE TIME OF EXPIRATION OF THE OFFER THAT NUMBER OF SHARES THAT, TOGETHER WITH ANY SHARES HELD BY OR ON BEHALF OF PARENT (AS DEFINED HEREIN), REPRESENTS AT LEAST 75 PERCENT OF THE ISSUED AND OUTSTANDING SHARES ON A FULLY DILUTED BASIS.

THE BOARD OF DIRECTORS OF CADE INDUSTRIES, INC. HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT (AS DEFINED HEREIN), APPROVED THE OFFER AND THE MERGER, DETERMINED THAT THE OFFER AND THE MERGER ARE IN THE BEST INTERESTS OF THE HOLDERS OF SHARES AND UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS ACCEPT THE OFFER AND TENDER THEIR SHARES PURSUANT TO THE OFFER.

IMPORTANT

Shareholders desiring to tender all or any portion of their shares of common stock, par value $.001 per share (the "Common Stock"), of Cade Industries, Inc. (the "Company"), including the associated rights to purchase common stock (the "Rights" and together with the Common Stock, the "Shares") should either (1) complete and sign the Letter of Transmittal or a facsimile thereof in accordance with the instructions in the Letter of Transmittal, including any required signature guarantees, and mail or deliver the Letter of Transmittal or such facsimile with certificate(s) for the tendered Shares and any other required documents to the Depositary (as defined herein), (2) follow the procedure for book-entry tender of Shares set forth in Section 3 or (3) request such shareholder's broker, dealer, commercial bank, trust company or other nominee to effect the transaction for such shareholder. Shareholders having Shares registered in the name of a broker, dealer, commercial bank, trust company or other nominee are urged to contact such broker, dealer, commercial bank, trust company or other nominee if they desire to tender Shares so registered.

The Rights are presently evidenced by the certificates for the Common Stock and a tender by shareholders of their shares of Common Stock will also constitute a tender of the associated Rights. A shareholder who desires to tender Shares and whose certificates for such Shares are not immediately available, or who cannot comply with the procedure for book-entry transfer on a timely basis, may tender such Shares by following the procedures for guaranteed delivery set forth in Section 3.

Questions and requests for assistance may be directed to the Information Agent at its address and telephone number set forth on the back cover of this Offer to Purchase. Requests for additional copies of this Offer to Purchase and the Letter of Transmittal may be directed to the Information Agent or to brokers, dealers, commercial banks or trust companies.

The Information Agent for the Offer is

Georgeson Shareholder Communications, Inc.

October 21, 1999

To the Holders of Shares
of Cade Industries, Inc.:

INTRODUCTION

Sphere Corporation, a Wisconsin corporation ("Purchaser") and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation ("Parent"), hereby offers to purchase all of the outstanding shares of common stock, par value $.001 per share (the "Common Stock"), of Cade Industries, Inc., a Wisconsin corporation (the "Company"), including the associated common stock purchase rights (the "Rights"), issued pursuant to the Rights Agreement (the "Rights Agreement"), dated as of August 4, 1998, as amended as of October 21, 1999, between the Company and Firstar Bank Milwaukee, N.A. (formerly named Firstar Trust Company), as Rights Agent (the Common Stock and the Rights together are referred to herein as the "Shares") at $5.05 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal (which together constitute the "Offer"). Unless the context otherwise requires, all references to Shares shall include the associated Rights.

Tendering shareholders will not be obligated to pay brokerage fees or commissions or, subject to Instruction 6 of the Letter of Transmittal, transfer taxes on the purchase of Shares by Purchaser. Purchaser will pay all charges and expenses of Citibank, N.A. (the "Depositary") and Georgeson Shareholder Communications, Inc. (the "Information Agent").

The Offer is conditioned upon, among other things, there being validly tendered and not withdrawn prior to the time of expiration of the Offer that number of Shares that, together with any Shares held by or on behalf of Parent, represents at least 75 percent of the issued and outstanding Shares on a fully diluted basis. The Offer is also subject to certain other terms and conditions. The Offer will expire at 12:00 midnight, New York City time, on Friday, November 19, 1999 unless extended. See Sections 1, 14 and 15.

The Board of Directors of the Company has unanimously approved the Merger Agreement, approved the Offer and the Merger, determined that the Offer and the Merger are in the best interests of the holders of Shares and unanimously recommends that shareholders accept the Offer and tender their Shares pursuant to the Offer.

Pursuant to its engagement by the Company, Robert W. Baird & Co. Incorporated, ("Baird"), has delivered to the Board of Directors of the Company its written opinion, dated October 20, 1999, to the effect that as of such date and subject to the assumptions and qualifications therein, the consideration to be received by holders of the Shares pursuant to the Offer and the Merger was fair to such shareholders (other than Parent and its Affiliates) from a financial point of view. A copy of the opinion of Baird is contained in the Company's Solicitation/Recommendation Statement on Schedule 14D-9 (the "Schedule 14D-9") filed with the U.S. Securities and Exchange Commission (the "SEC") in connection with the Offer, a copy of which (without certain exhibits) is being furnished to shareholders concurrently herewith.

The Offer is being made pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated as of October 21, 1999, among the Company, Parent and Purchaser, pursuant to which, after the completion of the Offer and the satisfaction or waiver of certain conditions, Purchaser will be merged with and into the Company and the Company will be the surviving corporation, unless Parent elects, in its sole discretion, to cause the Company to merge into Purchaser with Purchaser continuing as the surviving corporation (the "Merger"). On the effective date of the Merger, each outstanding Share (other than Shares owned by Parent, Purchaser or any subsidiary of Parent, Purchaser or the Company or held in the treasury of the Company or held by shareholders who properly exercise dissenters' rights, if any), will by virtue of the Merger and without action by the holder thereof be canceled and converted into the right to receive an amount in cash equal to the per Share price paid pursuant to the Offer (the "Merger Consideration") payable to the holder thereof, without interest thereon, upon the surrender of the certificate formerly respecting such Share. The Merger Agreement is more

fully described in Section 11 below. Certain federal income tax consequences of the sale of Shares pursuant to the Offer and the Merger, as the case may be, are described in Section 5 below.

If the Minimum Tender Condition (as defined in Section 14) and the other conditions to the Offer are satisfied and the Offer is consummated, Purchaser will own a sufficient number of Shares to ensure that the Merger will be approved. Under the Wisconsin Business Corporation Law (the "WBCL") if, after consummation of the Offer, Purchaser owns at least 90 percent of the Shares then outstanding, Purchaser, at its sole discretion, will be able to cause the Merger to occur without a vote of the Company's shareholders but subject to compliance with notice requirements. This Offer to Purchase constitutes such notice to shareholders required under Section 180.1104 of the WBCL. If, however, after consummation of the Offer Purchaser owns less than 90 percent of the then outstanding Shares, a vote of the Company's shareholders will be required under the WBCL to approve the Merger, and a significantly longer period of time will be required to effect the Merger. Purchaser currently does not intend to cause the Merger to occur without a vote of the Company's shareholders unless, after consummation of the Offer, it owns more than 94 percent of the Shares then outstanding. See Section 11.

Concurrently with the execution of the Merger Agreement, Purchaser also entered into a Shareholder Option Agreement with certain shareholders of the Company (the "Shareholder Option Agreement"). Pursuant to the Shareholder Option Agreement, each such shareholder of the Company agreed, among other things, to (a) tender, in accordance with the terms of the Offer, all of the Shares owned (beneficially or of record) by such shareholder, (b) vote all of the Shares owned by such shareholder in favor of the Merger and against certain other extraordinary transactions and (c) grant an option to Purchaser to purchase the Shares held by such shareholder at $5.05 per Share (subject to adjustment in certain circumstances). According to the information provided by such shareholders, in the aggregate, approximately 6,088,723 Shares are subject to the Shareholder Option Agreement, representing approximately 26.5 percent of the outstanding Shares on a fully diluted basis. See Section 11.

The Offer is conditioned upon, among other things, the Minimum Tender Condition being satisfied, which is more fully described in Section 14 below. The Company has informed Purchaser that, as of October 20, 1999, there were 21,606,207 Shares issued and outstanding and there were 1,371,745 Shares subject to issuance pursuant to the Company's stock option and incentive plans. Parent, Purchaser and their affiliates do not currently beneficially own any Shares or rights to acquire Shares other than Purchaser's rights under the Shareholder Option Agreement. See Section 11.

Based on the foregoing, and assuming no additional Shares (or warrants, options or rights exercisable for, or securities convertible into, Shares) have been issued (other than Shares issued pursuant to such options referred to above) as of October 21, 1999, Purchaser believes there are approximately 22,977,952 Shares outstanding on a fully diluted basis. Accordingly, if all of the Shares subject to the Shareholder Option Agreement are tendered into the Offer and not withdrawn, Purchaser believes that the Minimum Tender Condition would be satisfied if at least approximately 11,144,741 additional Shares are validly tendered prior to the Expiration Date (as defined in Section 1) and not withdrawn.

No appraisal rights are available in connection with the Offer; however, shareholders may have appraisal rights in connection with the Merger. See Section 11.

This Offer to purchase and the related Letter of Transmittal contain important information that should be read carefully before any decision is made with respect to the Offer.

THE TENDER OFFER

1. Terms of the Offer

Upon the terms and subject to the conditions set forth in the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), Purchaser will accept for payment, and pay for, all Shares validly tendered on or prior to the Expiration Date (as herein defined) and not withdrawn as permitted by Section 4. The term "Expiration Date" means 12:00 Midnight, New York City time, on Friday, November 19, 1999, unless and until Purchaser shall have extended the period for which the Offer is open, in which event the term "Expiration Date" shall mean the latest time and date on which the Offer, as so extended by Purchaser, shall expire.

The Offer is conditioned upon, among other things, expiration or termination of all waiting periods imposed by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act") and the Minimum Tender Condition being satisfied. The Offer is also subject to certain other conditions set forth in Section 5.

Pursuant to the Merger Agreement, Purchaser may, without the consent of the Company, elect to (a) extend the Offer if at the Expiration Date any of the conditions to the Offer have not been satisfied or waived, (b) if less than 90 percent of the Shares have been validly tendered and not properly withdrawn pursuant to the Offer, extend the Offer from time to time (but in no event beyond ten business days beyond the then scheduled expiration date of the Offer) for the shortest period of time reasonably determined by Parent as may be necessary to obtain the valid tender of 90% of the outstanding Shares, (c) extend the Offer for any period required by any regulation, interpretation or position of the SEC and (d) increase the per Share price to be paid in the Offer and extend the Offer to the extent required by law in connection with such increase.

Pursuant to the Merger Agreement, Purchaser has the right to modify the terms of the Offer, except that Purchaser has agreed that it will not, without the consent of the Company, (a) decrease or change the form of the consideration payable in the Offer, (b) decrease the number of Shares sought pursuant to the Offer, (c) impose additional conditions to the Offer, (d) change the conditions to the Offer or (e) make any other change in the terms or conditions of the Offer which is materially adverse to the holders of Shares. Purchaser confirms that its reservation of the right to delay payment for Shares which it has accepted for payment is limited by Rule 14e-1(c) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which requires that a tender offeror pay the consideration offered or return the tendered securities promptly after the termination or withdrawal of a tender offer.

Any extension, delay, termination or amendment of the Offer will be followed as promptly as practicable by public announcement thereof. In the case of an extension, Rule 14e-1(d) under the Exchange Act requires that the announcement be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date. Subject to applicable law (including Rules 14d-4(c) and 14d-6(d) under the Exchange Act, which require that any material change in the information published, sent or given to shareholders in connection with the Offer be promptly disseminated to shareholders in a manner reasonably designed to inform shareholders of such change) and without limiting the manner in which Purchaser may choose to make any public announcement, Purchaser shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to the PR Newswire. The rights reserved by Purchaser in the preceding paragraph are in addition to Purchaser's rights pursuant to Section 14.

Purchaser confirms that if it makes a material change in the terms of the Offer or the information concerning the Offer, or if it waives a material condition of the Offer, Purchaser will extend the Offer to the extent required by Rules 14d-4(c) and 14d-6(d) under the Exchange Act.

If, prior to the Expiration Date, Purchaser shall decrease the percentage of Shares being sought or the consideration offered to holders of Shares, such decrease shall be applicable to all holders whose Shares are accepted for payment pursuant to the Offer and, if at the time notice of any decrease is first published, sent or

given to holders of Shares, the Offer is scheduled to expire at any time earlier than the tenth business day from and including the date that such notice is first so published, sent or given, the Offer will be extended until the expiration of such ten business day period. For purposes of the Offer, a "business day" means any day other than a Saturday, Sunday or federal holiday and consists of the time period from 12:01 a.m. through 12:00 Midnight, New York City time.

As of the date of this Offer, the Rights are evidenced by the certificates for the Common Stock and do not trade separately. Accordingly, the tender by a shareholder of shares of Common Stock will also constitute a tender of the associated Rights. If, however, pursuant to the Rights Agreement or for any other reason, the Rights detach and separate certificates representing Rights are issued, shareholders will be required to tender one Right for each Share of Common Stock tendered in order for Shares to be validly tendered. No separate payment will be made by Purchaser for the Rights pursuant to the Offer.

The Company has provided Purchaser with the Company's shareholder lists and security position listings for the purpose of disseminating the Offer to holders of Shares. This Offer to Purchase, the related Letter of Transmittal and other relevant materials will be mailed by Purchaser to record holders of shares and will be furnished by Purchaser to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the securityholder lists or, if applicable, who are listed as participants in a clearing agency's security position listing, for subsequent transmittal to beneficial owners of Shares.

2. Acceptance for Payment and Payment for Shares

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment), Purchaser will accept for payment, and will pay for, Shares validly tendered and not properly withdrawn (in accordance with Section 4) prior to the Expiration Date as soon as practicable after the Expiration Date. In addition, subject to applicable rules of the SEC, Purchaser expressly reserves the right to delay acceptance for payment of or payment for Shares in order to comply, in whole or in part, with any applicable law. See Sections 1 and 15. In all cases, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of certificates for such Shares (or a confirmation of a book-entry transfer of such Shares into the Depositary's account at the Depository Trust Company (the "Book-Entry Transfer Facility")), a properly completed and duly executed Letter of Transmittal (or facsimile thereof) and any other required documents.

For purposes of the Offer, Purchaser will be deemed to have accepted for payment Shares validly tendered and not withdrawn if and when Purchaser gives oral or written notice to the Depositary of its acceptance for payment of such Shares pursuant to the Offer. Payment for Shares accepted for payment pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for the tendering shareholders for purpose of receiving payments from Purchaser and transmitting such payments to the tendering shareholders. Under no circumstances will interest be paid on the purchase price for Shares, regardless of any delay in making such payment.

The reservation by Purchaser of the right to delay the acceptance or purchase of or payment for Shares is subject to the provisions of Rule 14e-1(c) under the Exchange Act, which requires Purchaser to pay the consideration offered or to return Shares deposited by or on behalf of tendering shareholders promptly after the termination or withdrawal of the Offer.

If any tendered Shares are not accepted for payment pursuant to the terms and conditions of the Offer for any reason, or if certificates are submitted for more Shares than are tendered, certificates for such unpurchased Shares will be returned, without expense to the tendering shareholder (or, in the case of Shares tendered by book-entry transfer of such Shares into the Depositary's account at the Book-Entry Transfer Facility pursuant to the procedures set forth in Section 3, such Shares will be credited to an account maintained with the Book-Entry Transfer Facility), as soon as practicable following expiration or termination of the Offer.

If, prior to the Expiration Date, Purchaser shall increase the consideration offered to holders of Shares pursuant to the Offer, such increased consideration shall be paid to all holders of Shares that are purchased pursuant to the Offer, whether or not such Shares were tendered prior to such increase in consideration.

Purchaser reserves the right to transfer or assign in whole or in part from time to time to one or more direct or indirect subsidiaries of Parent the right to purchase all or any portion of the Shares tendered pursuant to the Offer, but any such transfer or assignment will not relieve Purchaser of its obligations under the Offer and will in no way prejudice the rights of tendering shareholders to receive payment for Shares validly tendered and accepted for payment pursuant to the Offer.

3. Procedure for Tendering Shares

Valid Tender.

To tender Shares pursuant to the Offer, either (a) a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) in accordance with the instructions of the Letter of Transmittal, with any required signature guarantees, certificates for the Shares to be tendered, and any other documents required by the Letter of Transmittal, must be received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase prior to the Expiration Date, (b) such Shares must be delivered pursuant to the procedures for book-entry transfer described below (and a confirmation of such delivery received by the Depositary, including an Agent's Message (as defined below) if the tendering shareholder has not delivered a Letter of Transmittal), prior to the Expiration Date or (c) the tendering shareholder must comply with the guaranteed delivery procedures set forth below. The term "Agent's Message" means a message, transmitted by the Book-Entry Transfer Facility to, and received by, the Depositary and forming a part of a Book-Entry Confirmation (as defined below), which states that the Book-Entry Transfer Facility has received an express acknowledgment from the participant in the Book-Entry Transfer Facility tendering the Shares which are the subject of such Book-Entry Confirmation that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that Purchaser may enforce such agreement against the participant.

Until the close of business on the Separation Date (as defined in Section 12), the Rights will be transferred with and only with the certificates for Common Stock and the surrender for transfer of any certificates for Common Stock will also constitute the transfer of the Rights associated with the Common Stock represented by such certificate.

Book-Entry Delivery.

The Depositary will establish an account with respect to the Shares at the Book-Entry Transfer Facility for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in the Book-Entry Transfer Facility's systems may make book-entry transfer of Shares by causing the Book-Entry Transfer Facility to transfer such Shares into the Depositary's account in accordance with Book-Entry Transfer Facility's procedures for such transfer. However, although delivery of Shares may be effected through book-entry transfer, either the Letter of Transmittal (or facsimile thereof), properly completed and duly executed, together with any required signature guarantees, or an Agent's Message in lieu of the Letter of Transmittal, and any other required documents, must, in any case, be transmitted to and received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase by the Expiration Date, or the tendering shareholder must comply with the guaranteed delivery procedures described below. The confirmation of a book-entry transfer of Shares into the Depositary's account at the Book-Entry Transfer Facility as described above is referred to herein as a "Book-Entry Confirmation". Delivery of documents to the Book-Entry Transfer Facility in accordance with the Book-Entry Transfer Facility's procedures does not constitute delivery to the Depositary.

The method of delivery of Shares, the Letter of Transmittal and all other required documents, including delivery through the Book-Entry Transfer Facility, is at the election and risk of the tendering

shareholder. Delivery of all such documents will be deemed made only when actually received by the Depositary (including, in the case of a book-entry transfer, by Book-Entry Confirmation). If such delivery is by mail, it is recommended that all such documents be sent by properly insured registered mail with return receipt requested. In all cases, sufficient time should be allowed to ensure timely delivery.

Signature Guarantees.

Except as otherwise provided below, all signatures on a Letter of Transmittal must be guaranteed by a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a participant in the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Guarantee Program or the Stock Exchange Medallion Program (an "Eligible Institution"). Signatures on a Letter of Transmittal need not be guaranteed (a) if the Letter of Transmittal is signed by the registered holder (which term, for purposes of this section, includes any participant in any of the Book-Entry Transfer Facility's systems whose name appears on a security position listing as the owner of the Shares) of Shares tendered therewith and such registered holder has not completed the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" on the Letter of Transmittal or (b) if such Shares are tendered for the account of an Eligible Institution. See Instructions 1 and 5 of the Letter of Transmittal. If the certificates for Shares are registered in the name of a person other than the signer of the Letter of Transmittal, or if payment is to be made or certificates for Shares not tendered or not accepted for payment or are to be returned to a person other than the registered holder of the certificates surrendered, then the tendered certificates must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name or names of the registered holders or owners appear on the certificates, with the signatures on the certificates or stock powers guaranteed as described above. See Instructions 1 and 5 of the Letter of Transmittal.

Guaranteed Delivery.

A shareholder who desires to tender Shares pursuant to the Offer and whose certificates for Shares are not immediately available, or who cannot comply with the procedure for book-entry transfer on a timely basis, or who cannot deliver all required documents to the Depositary prior to the Expiration Date, may tender such Shares by following all of the procedures set forth below:

(a) such tender is made by or through an Eligible Institution;

(b) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by Purchaser, is received by the Depositary (as provided below) prior to the Expiration Date; and

(c) the certificates for all tendered Shares, in proper form for transfer (or a Book-Entry Confirmation with respect to all such Shares), together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message in lieu of the Letter of Transmittal), and any other required documents, are received by the Depositary within three trading days after the date of execution of such Notice of Guaranteed Delivery. A "trading day" is any day on which the New York Stock Exchange, Inc. is open for business.

The Notice of Guaranteed Delivery may be delivered by hand to the Depositary or transmitted by telegram, facsimile transmission or mail to the Depositary and must include a guarantee by an Eligible Institution in the form set forth in such Notice of Guaranteed Delivery.

Other Requirements.

Notwithstanding any provision hereof, payment for Shares accepted for payment pursuant to the Offer will in all cases be made only after timely receipt by the Depositary of (a) certificates for (or a timely Book-Entry Confirmation with respect to) such Shares, (b) a Letter of Transmittal (or facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message in lieu of the Letter of Transmittal) and (c) any other documents required by the Letter of Transmittal.

Accordingly, tendering shareholders may be paid at different times depending upon when certificates for Shares or Book-Entry Confirmations with respect to Shares are actually received by the Depositary. Under no circumstances will interest be paid by Purchaser on the purchase price of the Shares, regardless of any extension of the Offer or any delay in making such payment.

Tender Constitutes a Binding Agreement.

The valid tender of Shares pursuant to one of the procedures described above will constitute a binding agreement between the tendering shareholder and Purchaser upon the terms and subject to the conditions of the Offer.

Appointment as Proxy.

By executing and delivering a Letter of Transmittal as set forth above, the tendering shareholder irrevocably appoints designees of Purchaser as such shareholder's proxies, each with full power of substitution, to the full extent of such shareholder's rights with respect to the Shares tendered by such shareholder and accepted for payment by Purchaser and with respect to any and all other Shares or other securities issued or issuable in respect of such Shares on or after October 21, 1999. All such proxies will be considered coupled with an interest in the tendered Shares. Such appointment is effective when, and only to the extent that, Purchaser deposits the payment for such Shares with the Depositary. Upon the effectiveness of such appointment, all prior powers of attorney, proxies and consents given by such shareholder will be revoked, and no subsequent powers of attorney, proxies and consents may be given (and, if given, will not be deemed effective). Purchaser's designees will, with respect to the Shares for which the appointment is effective, be empowered to exercise all voting and other rights of such shareholder as they, in their sole discretion, may deem proper at any annual, special or adjourned meeting of the shareholders of the Company, by written consent in lieu of any such meeting or otherwise. Purchaser reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon Purchaser's payment for such Shares, Purchaser must be able to exercise full voting rights to the extent permitted under applicable law with respect to such Shares.

Determination of Validity.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance of any tender of Shares will be determined by Purchaser in its sole and absolute discretion, which determination will be final and binding. Purchaser reserves the absolute right to reject any and all tenders determined by it not to be in proper form or the acceptance for payment of or payment for which may, in the opinion of Purchaser's counsel, be unlawful. Purchaser also reserves the absolute right to waive any defect or irregularity in the tender of any Shares of any particular shareholder whether or not similar defects or irregularities are waived in the case of other shareholders. No tender of Shares will be deemed to have been validly made until all defects and irregularities relating thereto have been cured or waived. None of Parent, Purchaser, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. Purchaser's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and Instructions thereto) will be final and binding.

4. Withdrawal Rights

Tenders of Shares made pursuant to the Offer are irrevocable, except that Shares tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date and, unless theretofore accepted for payment by Purchaser pursuant to the Offer, may also be withdrawn at any time after December 19, 1999.

To be effective, a written, telegraphic, telex or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase. Any notice of withdrawal must specify the name of the person having tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the names in which the certificate(s) evidencing the Shares to be

withdrawn are registered, if different from that of the person who tendered such Shares. The signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution, unless such Shares have been tendered for the account of any Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer as set forth in Section 3, any notice of withdrawal must specify the name and number of the account at the Depository Institution to be credited with the withdrawn Shares. If certificates have been delivered or otherwise identified to the Depositary, the name of the registered holder and the serial numbers of the particular certificates evidencing the Shares withdrawn must also be furnished to the Depositary as aforesaid prior to the physical release of such certificates. All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by Purchaser, in its sole discretion, which determination shall be final and binding. No withdrawal of Shares shall be deemed to have been properly made until all defects and irregularities have been cured or waived. None of Purchaser, Parent, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur a liability for failure to give such notification. Any Shares properly withdrawn will be deemed not to have been validly tendered for purposes of the Offer. However, withdrawn Shares may be retendered by following one of the procedures described in Section 3 at any time prior to the Expiration Date.

If Purchaser extends the Offer, is delayed in its acceptance for payment of Shares or is unable to accept for payment Shares pursuant to the Offer for any reason, then, without prejudice to Purchaser's rights under this Offer, the Depositary may, nevertheless, on behalf of Purchaser, retain tendered Shares, and such Shares may not be withdrawn except to the extent that tendering shareholders are entitled to withdrawal rights as set forth in this Section 4.

5. Certain Federal Income Tax Consequences of the Offer

The following is a summary of the material United States Federal income tax consequences of the sale of Shares pursuant to the Offer and the exchange of Shares for cash pursuant to the Merger to the Company's shareholders. The summary does not purport to be a description of all tax consequences that may be relevant to the Company's shareholders, and assumes an understanding of tax rules of general application. It does not address special rules which may apply to the Company's shareholders based on their tax status, individual circumstances or other factors unrelated to the Offer or the Merger. Shareholders are encouraged to consult their own tax advisors regarding the Offer and the Merger.

The receipt of cash in exchange for Shares pursuant to the Offer or the Merger will be a taxable transaction for Federal income tax purposes, and may also be taxable under applicable state, local, foreign and other tax laws. For Federal income tax purposes, a shareholder whose Shares are purchased pursuant to the Offer or who receives cash as a result of the Merger will realize gain or loss equal to the difference between the adjusted basis of the Shares sold or exchanged and the amount of cash received therefor. Such gain or loss will be capital gain or loss if the Shares are held as capital assets by the shareholder and will be long-term capital gain or loss if the shareholder's holding period in such Shares for Federal income tax purposes is more than one year at the time of the sale or exchange. Long-term capital gain of a non-corporate shareholder is generally subject to a maximum tax rate of 20 percent. In addition, a shareholder's ability to use capital losses to offset ordinary income is limited.

Backup Withholding.

Under the federal income tax backup withholding rules, unless an exemption applies, Purchaser is required to and will withhold 31 percent of all payments to which a shareholder is entitled pursuant to the Offer, unless such shareholder provides a tax identification number and certifies under penalties of perjury that the number is correct. If a shareholder is an individual, the tax identification number is a social security number. If a shareholder is not an individual, the tax identification number is an employer identification number. Each shareholder should complete and sign the substitute Form W-9, which will be included with the letter of transmittal to be returned to the Depositary, in order to provide the information and certification necessary to avoid backup withholding, unless an applicable exception exists and is proved in a manner satisfactory to the Depositary. Certain shareholders including, corporations and some foreign individuals, are not subject to these

backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, however, he or she must submit a Certificate of Foreign Status on Form W-8 attesting to his or her exempt status. Any amounts withheld will be allowed as a credit against the holder's federal income tax liability for that year.

The foregoing discussion may not apply to shareholders who acquired their Shares pursuant to exercise of employee stock options or other compensation arrangements with the Company, or who are not citizens or residents of the United States or who are otherwise subject to special tax treatment. The tax discussion above is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change, possibly retroactively. Each shareholder is urged to consult his, her or its own tax advisor with respect to the tax consequences of the Offer and the Merger, including the application and effect of state, local, foreign or other tax laws.

6. Price Range of Shares; Dividends

The Common Stock is listed on the Nasdaq National Market System ("Nasdaq/NMS") under the symbol "CADE". The following table sets forth, for the calendar quarters indicated, the high and low sales prices for the Common Stock on the Nasdaq/NMS and the amount of cash dividends paid per share, based upon public sources:

Calendar Year	High	Low	Cash Dividends Paid
1997:			
First Quarter	$1 16/32	$1 7/32	--
Second Quarter	$1 20/32	$1 9/32	--
Third Quarter	$3 15/32	$1 15/32	--
Fourth Quarter	$3 16/32	$2 8/32	--
1998:			
First Quarter	$3 5/32	$2 10/32	--
Second Quarter	$4 4/32	$2 25/32	--
Third Quarter	$3 15/32	$1 30/32	--
Fourth Quarter	$2 22/32	$2 4/32	--
1999:			
First Quarter	$2 27/32	$2 1/8	--
Second Quarter	$2 11/16	$2 1/32	--
Third Quarter	$3 17/32	$2 35/64	--
Fourth Quarter (through October 20, 1999)	$4	$3 9/32	--

The Rights trade together with the Common Stock. On October 20, 1999, the last full trading day prior to the public announcement of the terms of the Offer and the Merger and commencement of the Offer, the reported closing price on the Nasdaq/NMS was $3 7/8 per Share. Shareholders are urged to obtain a current market quotation for the Shares.

7. Possible Effects of the Offer on the Market for the Shares; Nasdaq Listing; Margin Regulations and Exchange Act Registration

Possible Effects of the Offer on the Market for the Shares

The purchase of Shares by Purchaser pursuant to the Offer will reduce the number of Shares that might otherwise trade publicly and may reduce the number of holders of Shares, which could adversely affect the liquidity and market value of the remaining Shares held by the public.

Nasdaq Listing

The Shares are listed on the Nasdaq/NMS. Depending on the aggregate market value and per share price of any Shares not purchased pursuant to the Offer, the Shareholder Option Agreement or otherwise, the Shares

may no longer meet the criteria of the National Association of Securities Dealers, Inc. (the "NASD") for continued designation for the Nasdaq/NMS. The maintenance of such designation requires that an issuer substantially meet one of two maintenance standards. The issuer must have either (a) (i) at least 750,000 shares publicly held, (ii) at least 400 shareholders of round lots, (iii) a market value of publicly held shares of at least $5 million, (iv) a minimum bid price per share of $1, (v) at least two registered and active market makers for its shares and (vi) net tangible assets of at least $4 million or (b) (i) at least 1.1 million publicly held shares, (ii) at least 400 shareholders of round lots, (iii) a market value of publicly held shares of at least $15 million, (iv)(A) a market capitalization of at least $50 million or (B) total assets and total revenue of at least $50 million each (for the most recently completed fiscal year or two of the last three most recently completed fiscal years), (v) a minimum bid price per share of $5 and (vi) at least four registered and active market makers for its shares. Shares held directly or indirectly by directors, officers or beneficial owners of more than 10 percent of the shares outstanding are not considered as being publicly held for this purpose. As of October 20, 1999, there were 1,430 holders of record of shares of Common Stock and, as of such date, there were 21,606,207 shares of Common Stock issued and outstanding.

If, as a result of the purchase of Shares pursuant to the Offer, the Shareholder Option Agreement or otherwise, the Shares no longer meet the criteria of the NASD for continued inclusion in the Nasdaq/NMS or in any other tier of the Nasdaq Stock Market, and the Shares are no longer included in Nasdaq/NMS or in any other tier of the Nasdaq Stock Market, the market for the Shares could be adversely affected.

In the event the Shares no longer meet the criteria of the NASD for continued inclusion in any tier of the Nasdaq Stock Market, it is possible that Shares would continue to trade in the over-the-counter market and that price quotations would be reported by other sources. The extent of the public market for the Shares and the availability of such quotations would, however, depend upon the number of shareholders and/or the aggregate market value of the Shares remaining at such time, the interest in maintaining a market in the Shares on the part of securities firms, the possible termination of registration of the Shares under the Exchange Act and other factors.

Margin Regulation

The Shares are presently "margin securities" under the regulations of the Federal Reserve Board, which has the effect, among other things, of allowing brokers to extend credit on the collateral of such Shares. Depending upon factors similar to those described above regarding listing and market quotations, the Shares might no longer constitute "margin securities" for the purposes of the Federal Reserve Board's margin regulations in which event the Shares would be ineligible as collateral for margin loans made by brokers.

Exchange Act Regulation

The Shares are currently registered under the Exchange Act. Such registration may be terminated by the Company upon application to the SEC if the outstanding Shares are not listed on a national securities exchange and if there are fewer than 300 holders of record of Shares. Termination of registration of the Shares under the Exchange Act would reduce the information required to be furnished by the Company to its shareholders and to the SEC and would make certain provisions of the Exchange Act, such as the short-swing profit recovery provisions of Section 16(b) and the requirement of furnishing a proxy statement in connection with shareholders' meetings pursuant to Section 14(a) and the related requirement of furnishing an annual report to shareholders, no longer applicable with respect to the Shares. Furthermore, the ability of "affiliates" of the Company and persons holding "restricted securities" of the Company to dispose of such securities pursuant to Rule 144 under the Securities Act of 1933, as amended, may be impaired or eliminated. If registration of the Shares under the Exchange Act were terminated, the Shares would no longer be eligible for Nasdaq reporting or for continued inclusion on the Federal Reserve Board's list of "margin securities". Purchaser intends to seek to cause the Company to apply for termination of registration of the Shares as soon as possible after consummation of the Offer if the requirements for termination of registration are met.

8. Certain Information Concerning the Company

The Company is a Wisconsin corporation with its principal executive offices located at 2365 Woodlake Drive, Suite 120, Okemos, Michigan 48864.

The Company conducts its operations primarily through four operating subsidiaries, Cade AutoAir, Inc., (formerly Auto-Air Composites, Inc.), Cade Composites, Inc., Cade HAC, Inc. (formerly H.A.C. Corporation) and Cade Cenco, Inc. (formerly Central Engineering Company).

The Company is engaged worldwide in the design, manufacture, and repair and overhaul of high technology composite components and engine test facilities for the aerospace, air transport and specialty industries, principally through two segments.

The Company's core products include molded and bonded composite jet engine components, metal fabricated and bonded composite airframe components and the repair and overhaul of commercial and military gas turbine engine and airframe components as well as flight nacelle structures ("Engine and Airframe Products and Services") and engine test facilities, related computer software and data acquisition systems, and associated equipment ("Test Facilities and Equipment"). Engine and Airframe Products and Services include engine inlets and cases, acoustical liners, fairings, auxiliary power unit enclosures, various control surface products, access doors, wing tips, interior structures and repair and overhaul services. Test Facilities and Equipment are used in the ground testing and overhaul of major commercial jet engines and related ground support equipment. These products are sold worldwide through the Company's internal sales force and independent sales representatives to major engine and airframe equipment manufacturers, airlines, U.S. Government and overhaul facilities.

Set forth below is certain summary consolidated financial information for the Company's last three fiscal years as contained in the Company's Annual Report on Form 10-K for the year ended December 31, 1998 and for the six months ended June 30, 1998 and June 30, 1999, as contained in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999. More comprehensive financial information is included in such report (including management's discussion and analysis of financial condition and results of operation) and other documents filed by the Company with the SEC, and the following summary is qualified in its entirety by reference to such report and other documents and all of the financial information and notes contained therein. Copies of such report and other documents may be examined at or obtained from the SEC in the manner set forth below.

CADE INDUSTRIES, INC.

SELECTED CONSOLIDATED FINANCIAL INFORMATION
(In thousands, except per share data)

	Year ended December 31,			Six Months ended June 30,	
	1998	1997	1996	1999	1998
				(unaudited)	
Consolidated Statement of Income Data:					
Sales	$95,792	$55,804	$34,867	$52,482	$46,012
Cost of sales	74,478	43,481	26,705	40,405	35,390
Selling, general and administrative expenses	14,219	8,100	6,097	7,592	7,130
Income from operations	7,095	4,223	2,065	4,485	3,492
Interest expense--net	947	833	729	586	654
Income before income taxes	6,148	3,390	1,336	3,899	2,838
Net income	4,242	2,353	1,058	2,703	1,998
Net income per common share:					
Basic	0.19	0.11	0.05	0.12	0.09
Fully Diluted	0.19	0.11	0.05	0.12	0.09

	At December 31,			At June 30,	
	1998	1997	1996	1999	1998
				(unaudited)	
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 580	$ 1,093	$ 22	$ 581	$ 158
Working capital (current assets less current liabilities)	11,487	11,435	7,999	13,977	12,081
Property and equipment, net	19,197	17,662	15,006	20,241	18,034
Total assets	62,275	54,570	35,304	65,366	57,439
Long-term debt, net of current maturities	8,313	10,683	4,839	9,430	9,526
Shareholders' equity	27,054	23,333	20,683	29,295	25,461

On October 21, 1999, the Company reported results for the third quarter and nine months ended September 30, 1999. The following are the financial highlights of such results, as reported by the Company.

CADE INDUSTRIES, INC.

Financial Highlights (Unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 1999	September 30, 1998	September 30, 1999	September 30, 1998
	(In thousands, except per share data)			
Sales	$26,113	$25,502	$78,595	$71,514
Net income	1,499	1,113	4,202	3,111
Net income per share:				
Basic	0.07	0.05	0.19	0.14
Diluted	0.07	0.05	0.19	0.14

Except as otherwise set forth herein, the information concerning the Company contained in this Offer to Purchase has been taken from or based upon publicly available documents and records on file with the SEC and other public sources and is qualified in its entirety by reference thereto. Although Parent has no knowledge that would indicate that any statements contained herein taken from or based on such documents and records are untrue, Parent cannot

take responsibility for the accuracy or completeness of the information contained in such documents and records, or for any failure by the Company to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Parent.

The Company is subject to the information and reporting requirements of the Exchange Act and in accordance therewith is obligated to file reports and other information with the SEC relating to its business, financial condition and other matters. Information, as of particular dates, concerning the Company's directors and officers, their remuneration, stock options granted to them, the principal holders of the Company's securities, any material interests of such persons in transactions with the Company and other matters is required to be disclosed in proxy statements distributed to the Company's shareholders and filed with the SEC. Such reports, proxy statements and other information should be available for inspection at the public reference room at the SEC's office 450 Fifth Street, N.W., Room 1024, Judiciary Plaza, Washington, D.C., and also should be available for inspection and copying at the following regional offices of the SEC: 7 World Trade Center, Suite 1300, New York, New York 10048 and Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies may be obtained by mail, upon payment of the SEC's customary charges, by writing to its principal office at 450 Fifth Street, N.W., Room 1024, Judiciary Plaza, Washington, D.C. 20549. Further information on the operation of the SEC's Public Reference Room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet worldwide web site that contains reports, proxy statements and other information about issuers, such as the Company, who file electronically with the SEC. The address of that site is http://www.sec.gov.

During the discussions between the Company and Parent that led to execution of the Merger Agreement, the Company provided Parent with certain information relating to the Company that Parent and Purchaser believe is not publicly available. This information included projections of operating performance of the Company for 1999 developed by the Company. The projections do not reflect consummation of the Offer or the Merger or any other extraordinary transaction involving the Company. The projection included a summary estimate, based upon six-months actual results for 1999 and projected second half results, of sales for 1999 of $106.0 million and operating income of $10.6 million. In addition, the Company later provided Parent with a detailed budget for 1999 prepared as of October 1998, with estimated sales for 1999 of $99.5 million and operating income of $10.6 million. The information also included an estimate of 1999 earnings per Share of $0.27. These projections are based on a variety of estimates and assumptions which involve judgements with respect to future economic and competitive conditions, inflation rates and technology trends.

The Company has advised Parent and Purchaser that it does not as a matter of course disclose projections as to future revenues, earnings or other income statement data and the projections were not prepared with a view to public disclosure. In addition, the projections were not prepared in accordance with generally accepted accounting principles, or with a view to compliance with the published guidelines of the SEC or the American Institute of Certified Public Accountants regarding projections, which would require a more complete presentation of the data than as shown above. The projections have not been examined, reviewed or compiled by the Company's independent auditors, and accordingly they have not expressed an opinion or provided any other assurance on the data. The forecasted information is included herein solely because such information was furnished to Parent and Purchaser prior to the Offer. Accordingly, the inclusion of the projections in this Offer should not be regarded as an indication that Parent, Purchaser or the Company or their respective financial advisors or their respective officers and directors consider such information to be accurate or reliable. In addition, because the estimates and assumptions underlying the projections are inherently subject to significant economic and competitive uncertainties and contingencies, which are difficult or impossible to predict accurately and are beyond the control of the Company, Parent or Purchaser, there can be no assurance that results set forth in the above projections will be realized and it is expected that there will be differences between actual and projected results, and actual results may be materially higher or lower than those set forth above.

9. Certain Information Concerning Purchaser and Parent

Purchaser is a Wisconsin corporation and, to date, has engaged in no activities other than those incident to its formation and the commencement of the Offer. Purchaser is a wholly owned subsidiary of Parent. The principal executive offices of Purchaser are located at One Financial Plaza, Hartford, Connecticut 06101.

Parent is a Delaware corporation. Parent and its consolidated subsidiaries provide high technology products to aerospace and building systems customers throughout the world. Parent and its consolidated subsidiaries conduct their business within four principal operating segments. The operating units of Parent and its consolidated subsidiaries are grouped based upon the operating segment in which they participate. The units participating in each operating segment and their respective principal products are as follows:

- Otis offers a wide range of elevators, escalators, moving walks and shuttle systems and related installation, maintenance and repair services; and modernization products and services for elevators and escalators.

- Carrier provides heating, ventilating and air conditioning (HVAC) equipment for commercial, industrial and residential buildings; HVAC replacement parts and services; building controls; commercial, industrial and transport refrigeration equipment; and aftermarket service and components.

- Pratt & Whitney provides large and small commercial and military turbofan (jet) and turboprop engines, spare parts and product support; specialized engine maintenance and overhaul and repair services for airlines, government and private fleets; and rocket engines and space propulsion systems and industrial gas turbines.

- Flight Systems is made up of Sikorsky and Hamilton Sunstrand. Sikorsky offers military and commercial helicopters and maintenance services. Hamilton Sunstrand offers engine and flight controls; propellers; environmental controls systems; space life support systems; electrical, mechanical and power systems products for aircraft; rotary screw compressors, power transmission equipment; pumps and other industrial products.

Until recently, Parent conducted its business through a fifth operating segment. The business of this segment, which was conducted through UT Automotive, manufactured automotive electrical and electronic components, automotive trim systems and insulation and acoustical materials and systems. On May 4, 1999, Parent completed the sale of its UT Automotive unit to Lear Corporation. Parent's financial statements for the three year period ending December 31, 1998, have been restated to reflect UT Automotive as a discontinued operation. These restated financial statements have been filed in Parent's Current Report on Form 8-K filed on June 11, 1999.

On June 10, 1999, Parent completed the acquisition of Sundstrand Corporation. Sundstrand Corporation was merged with a wholly owned subsidiary of Parent, which was renamed Hamilton Sundstrand Corporation. Hamilton Sundstrand Corporation is a leader in the design and manufacture of proprietary, technology based components and subsystems for aerospace and industrial markets.

Parent's principal executive offices are located at One Financial Plaza, Hartford, Connecticut 06101.

Selected Financial Information. The following is selected consolidated historical financial information included in Parent's Quarterly Report on Form 10-Q for the six months ended June 30, 1999 and in Parent's Annual Report on Form 10-K for the year ended December 31, 1998 as restated by its Current Report on Form 8-K filed on June 11, 1999 to reflect UT Automotive as a discontinued operation. More comprehensive financial and other information is included in such reports (including management's discussion and analysis of financial condition and results of operations) and in other reports and documents filed by Parent with the SEC. The financial information set forth below is qualified in its entirety by reference to such reports and documents filed with the SEC and the financial statements and related notes contained therein. These reports and other documents may be examined and copies thereof may be obtained as described below.

UNITED TECHNOLOGIES CORPORATION

SELECTED FINANCIAL INFORMATION
(In millions, except per share data)

	Years ended December 31,			Six months ended June 30,	
	1998	1997	1996	1999	1998
				(unaudited)	
Statement of Operations Data:					
Revenues	US$22,809	US$21,288	US$19,872	US$11,483	US$11,139
Research and development	1,168	1,069	1,014	580	556
Income from continuing operations before interest, taxes and minority interests	2,007	1,762	1,530	1,185	975
Interest expense	197	188	213	112	92
Income taxes	568	514	430	332	277
Income from:					
Continuing Operations	1,157	962	788	695	562
Discontinued Operation	98	110	118	40	58
Gain on Sale of Discontinued Operation	--	--	--	650	--
Net income	1,255	1,072	906	1,385	620
Earnings per share of Common Stock					
Basic					
Continuing Operations	2.47	1.98	1.57	1.49	1.19
Discontinued Operation	0.21	0.24	0.24	0.09	0.13
Gain on Sale of Discontinued Operation	--	--	--	1.43	--
Net earnings	2.68	2.22	1.81	3.01	1.32
Diluted					
Continuing Operations	2.33	1.89	1.51	1.39	1.12
Discontinued Operation	0.20	0.21	0.23	0.08	0.12
Gain on Sale of Discontinued Operation	--	--	--	1.31	--
Net earnings	2.53	2.10	1.74	2.78	1.24
Average number of shares outstanding:					
Basic	456	469	483	455	459
Diluted	495	507	517	497	498

	At December 31,			At June 30, 1999 (unaudited)
	1998	1997	1996	
Consolidated Balance Sheet Data:				
Cash and cash equivalents	US$ 550	US$ 655	US$ 998	US$ 885
Working capital (excluding net investment in discontinued operations through 1998)	1,359	1,712	2,168	2,291
Total assets	17,768	15,697	15,566	22,027
Long term debt (including current maturities)	1,669	1,389	1,506	2,195
Total debt	2,173	1,567	1,709	2,509
Shareowners' equity	4,378	4,073	4,306	7,317

Parent is subject to the information reporting requirements of the Exchange Act and, in accordance therewith, files reports relating to its business, financial condition and other matters. Information, as of particular dates, concerning Parent's directors and officers, their remuneration, stock options and other matters, the principal holders of Parent's securities and any material interest of such persons in transactions with Parent is required to be disclosed in proxy statements distributed to Parent's shareholders and filed with the SEC. Such reports, proxy statements and other information should be available for inspection at the public reference room at the SEC's office 450 Fifth Street, N.W., Room 1024, Judiciary Plaza, Washington, D.C., and also should be available for inspection and copying at the following regional offices of the SEC: 7 World Trade Center, Suite 1300, New York, New York 10048 and Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies may be obtained by mail, upon payment of the SEC's customary charges, by writing to its principal office at 450 Fifth Street, N.W., Room 1024, Judiciary Plaza, Washington, D.C. 20549. Further information on the operation of the SEC's Public Reference Room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet worldwide web site that contains reports, proxy statements and other information about issuers, such as the Company, who file electronically with the SEC. The address of that site is http://www.sec.gov.

The name, citizenship, business address, present principal occupation, and material positions held during the past five years of each of the directors and executive officers of Parent and Purchaser are set forth in Schedule A to this Offer to Purchase.

Neither Parent nor Purchaser (except in connection with the Shareholder Option Agreement) nor, to the best of Parent's and Purchaser's knowledge, any of the persons listed in Schedule A hereto or any associate or majority owned subsidiary of Parent, beneficially owns or has a right to acquire any securities of the Company or has any contract, arrangement, understanding or relationship with any other person with respect to any securities of the Company, including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any securities of the Company, joint venture, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss, or the giving or withholding of proxies, or has affected any transaction in the securities of the Company during the past 60 days.

The Company has been a long time supplier of Pratt & Whitney Corporation, a subsidiary of Parent, which accounts for approximately 25%, 25% and 18% of the Company's 1996, 1997 and 1998 sales, respectively. The aggregate amount of such sales was approximately $8,500,000, $14,000,000 and $17,000,000 for fiscal years 1996, 1997 and 1998, respectively. Such transactions were negotiated at arms' length. Except as set forth in this Offer to Purchase, since January 1, 1996, neither Parent, Purchaser, any person acting jointly or in concert with Purchaser nor, to the best of Parent's and Purchaser's knowledge, any of the persons listed on Schedule A hereto nor any associate of a person listed on Schedule A hereto, has had any transaction with the Company or any of its executive officers, directors or affiliates that is required to be reported under the rules and regulations of the SEC applicable to the Offer. Except as set forth in this Offer to Purchase, since January 1, 1996, there has been no contracts, negotiations or transactions between Parent, any of its subsidiaries or, to the best of Parent's and Purchaser's knowledge, any of the persons listed in Schedule A to this Offer to Purchase, on the one hand, and the Company or its affiliates, on the other hand, concerning a merger, consolidation or acquisition; a tender offer or other acquisition of securities of any class of the Company, and election of directors of the Company; or a sale or other transfer of a material amount of assets of the Company or any of its subsidiaries.

10. Background of the Offer; Contacts with the Company

Beginning in 1998, representatives of Parent and the Company discussed a potential joint venture between the parties with respect to certain products. On December 10 and December 17, 1998 representatives of Parent and the Company toured certain of the Company's facilities in connection with these discussions.

On July 1, 1999 Mr. Mark Biagetti, Director of Strategic Planning of Pratt & Whitney and Mr. Bill Montanile, Director, Component Repair, of Pratt & Whitney, met with Mr. Richard A. Lund, President and Chief Executive Officer of the Company, and Mr. Richard Joseph, the Company's Vice President, in Lansing to discuss

the potential acquisition of the Company by Parent. In that meeting, Mr. Lund informed Messrs. Biagetti and Montanile that in order to continue discussions, Parent should submit a letter to the Company indicating a value range for the Company.

On July 22, 1999, Mr. Biagetti and Mr. Mike Groenhout, Manager, Strategic Planning of Parent, met with Mr. Lund and Mr. Joseph in Lansing and presented a letter dated July 21, 1999 from Mr. Louis R. Chenevert, President of Pratt & Whitney, to Mr. Lund expressing a non-binding interest in exploring a potential acquisition of all the outstanding Shares for cash (a "Transaction"), indicating a price range per Share of $3.25-$3.75, subject to customary conditions, including satisfactory completion of substantive due diligence by Parent.

Between July 22, 1999 and July 28, 1999, representatives of Parent and the Company discussed the proposed Transaction. During such discussions, management of the Company provided Parent certain information with respect to the Company's financial condition, results of operations and other measurements of operating performance. Following such discussions and review by Parent of the information provided, Mr. Chenevert on July 29, 1999 sent Mr. Lund a revised non-binding expression of interest regarding a possible Transaction indicating a price range per Share of $4.00-$4.85, subject to similar customary conditions as in the July 21, 1999 letter. Following receipt of the revised non-binding expression of interest, Mr. Lund indicated to Parent that he would present it to the Company's Corporate Strategy Committee or Board of Directors for consideration.

On August 2, 1999, the Company's Board of Directors met to discuss Parent's non-binding indication of interest.

On August 4, 1999 Mr. Lund advised Mr. Biagetti that the Company was not prepared to proceed with a transaction in the price range earlier indicated by Parent.

On August 27, 1999, Mr. Biagetti verbally communicated to Mr. Lund that Parent would be prepared to revise the value range indicated in its latest non-binding expression of interest to $5.00 per Share plus assumption of all debt.

On August 31, 1999, Mr. Biagetti and Mr. Edmund DiSanto, Vice President, Business Development of Pratt & Whitney, met with Mr. Lund in Hartford, Connecticut. At this meeting Mr. Lund indicated that the Company would not accept the value of $5.00 per Share indicated by Parent.

On September 8, 1999, Messers DiSanto and Biagetti called Mr. Lund and indicated that the top range of value to be considered by Parent would be $5.00-5.10 per Share.

On September 10, 1999, Mr. Lund and Mr. Sandford, Chairman of the Board of the Company, and Messrs. DiSanto and Biagetti discussed the indicated value on the telephone. During that conversation, Parent agreed to increase the indicated value to $5.10 per Share subject to the conditions indicated in Parent's July 29, 1999 letter, including the results of Parent's due diligence investigations of the Company.

On September 13, 1999 in discussions between representatives of Parent and the Company, the Company agreed to permit Parent to conduct a due diligence investigation of the Company. Representatives from each party also discussed the process and timing of the proposed Transaction and agreed on procedure for due diligence investigations by Parent.

On September 20, 1999, Mr. Chenevert sent Mr. Lund a revised non-binding expression of interest regarding a possible Transaction on the same terms as in the July 29, 1999 letter with a price of $5.10 per Share. On September 22, 1999, Parent and the Company entered into the Confidentiality Agreement.

From September 27, 1999 through mid-October, 1999, representatives of Parent and its advisors conducted a due diligence investigation of the Company.

On October 1, 1999, Parent submitted to the Company a proposed Merger Agreement and Shareholder Option Agreement and the parties and their legal advisors began to negotiate the terms of the proposed Transaction.

On October 18, 1999, Mr. DiSanto met with Mr. Lund to discuss the material terms and conditions of the proposed Transaction. Among other things, Mr. DiSanto indicated that, in view of the results of Parent's due diligence investigation, Parent believed that a reduction in the indicated value of $5.10 per Share was appropriate.

On October 19 and 20, 1999, the parties and their legal advisors met in New York to negotiate the terms of the Merger Agreement and related agreements. The terms included an indicated price per Share of $5.05.

At a meeting on October 20, 1999, the Board unanimously approved the Offer, the Merger, the Merger Agreement and the Shareholder Option Agreement and resolved to recommend acceptance of the Offer by the Company's shareholders.

On October 21, 1999 (i) the Company, Parent and Purchaser entered into the Merger Agreement, (ii) each of the directors of the Company entered into the Shareholder Option Agreement with Purchaser and (iii) the Company entered into agreements with certain of its executive officers. The terms of each of these agreement are set forth in Section 11. Before the opening of trading on October 21, 1999, Parent and the Company issued a press release announcing the execution of the Merger Agreement and the Shareholder Option Agreement and the Offer was commenced.

11. Purpose of the Offer; Plans for the Company; the Merger Agreement; the Shareholder Option Agreement; Executive Employment Agreements

(a) Purpose

The purpose of the Offer and the Merger is to acquire control of, and the entire equity interest in the Company. The Offer, as the first step in the acquisition of the Company, is intended to facilitate the acquisition of all outstanding Shares. The purpose of the Merger is to acquire all of the capital stock of the Company not purchased pursuant to the Offer or otherwise. If Purchaser acquires 75 percent of the issued and outstanding Shares (on a fully diluted basis) pursuant to the Offer, it will have the ability under Wisconsin law to approve the Merger without the approval of the holders of any other Shares.

(b) Plans for the Company

In connection with the Offer, Parent and Purchaser have reviewed, and will continue to review various possible business strategies that they might consider in the event that Purchaser acquires control of the Company, whether pursuant to this Offer to Purchase, the Merger or otherwise. Such strategies could include, among other things, changes in the Company's business, corporate structure, capitalization or management.

The following is a summary of certain provisions of the Merger Agreement, the Shareholder Option Agreement and the Confidentiality Agreement dated September 22, 1999 between Parent and the Company (the "Confidentiality Agreement"). This summary is qualified in its entirety by reference to the Merger Agreement, the Shareholder Option Agreement and the Confidentiality Agreement which are incorporated by reference and copies or forms of which have been filed with the SEC as exhibits to the Schedule 14D-1 to which this Offer to Purchase is an exhibit (the "Schedule 14D-1"). The Merger Agreement, the Shareholder Option Agreement and the Confidentiality Agreement may be examined and copies may be obtained as set forth in Section 8. Defined terms used herein and not defined herein shall have the respective meanings assigned to those terms in the Merger Agreement.

(c) The Merger Agreement

The Offer. The Merger Agreement provides that Purchaser will commence the Offer and that, upon the terms and subject to prior satisfaction or waiver of the conditions of the Offer, as set forth in Section 14, Purchaser will purchase all Shares validly tendered pursuant to the Offer. The Merger Agreement provides that without the prior written consent of the Company, Purchaser shall not decrease or change the consideration payable in the Offer, decrease the number of Shares sought pursuant to the Offer, impose additional conditions to the Offer, change the conditions to the Offer or make any other change in the terms or conditions of the Offer which is materially adverse to the holders of Shares. In addition, without limiting the foregoing, Purchaser may, without the consent of the Company, (a) extend the Offer if on the Expiration Date any of the Offer conditions have not been satisfied or waived, (b) if less than 90% of the outstanding Shares have been validly tendered and not properly withdrawn pursuant to the Offer, extend the Offer from time to time (but in no event beyond ten business days beyond the then scheduled expiration date of the Offer) for the shortest period of time reasonably determined by Parent as may be necessary to obtain the valid tender of 90% of the outstanding Shares and (c) extend the Offer for any period required by any regulation, position or interpretation of the SEC. In addition, the Offer Price may be increased and the Offer may be extended to the extent required by law in connection with such increase, in each case without the consent of the Company.

Directors. Pursuant to the Merger Agreement, after Purchaser has accepted Shares for payment pursuant to the Offer or otherwise, which represent at least a majority of the outstanding Shares, Purchaser has the right to have persons designated by it become directors of the Company so that the total number of such persons equals the number, rounded up to the next whole number, which is the product of the total number of directors on the Board of Directors of the Company and the percentage that such number of Shares so purchased bears to the total number of Shares then outstanding. The Merger Agreement provides that the Company will promptly take all actions necessary to cause such Purchaser designees to be so elected, including, if necessary, seeking the resignations of one or more existing directors. Following the election or appointment of Purchaser designees and prior to the time the Merger becomes effective (the "Effective Time") if any of the directors of the Company then in office is a director of the Company on the date hereof (the "Continuing Director"), any amendment of the Merger Agreement which requires action by the Board of Directors of the Company, any extension of time for the performance of any of the obligations or other acts of Parent or Purchaser under the Merger Agreement and any waiver of compliance with any of the provisions of the Merger Agreement for the benefit of the Company, will require the concurrence of a majority of the Continuing Directors.

The Merger. The Merger Agreement provides that, promptly after the purchase of Shares pursuant to the Offer and upon the terms and conditions of the Merger Agreement Purchaser will be merged with and into the Company unless, at Parent's election and in its sole discretion, the Company shall be merged with and into Purchaser. Upon consummation of the Merger, each then outstanding Share (other than Shares owned by Parent or its direct or indirect Subsidiaries, held in the treasury of the Company, owned by any subsidiary of the Company, or held by shareholders who exercise dissenters' rights under the WBCL, if any) will be converted into the right to receive $5.05 in cash, without interest (the "Merger Consideration")).

The Company has agreed pursuant to the Merger Agreement that, if required by applicable law in order to consummate the Merger, it will (i) convene and hold a special meeting of its shareholders as soon as practicable following the consummation of the Offer for the purpose of adopting the plan of merger contained in the Merger Agreement; (ii) prepare and file with the SEC a preliminary proxy statement relating to the Merger Agreement, and use its reasonable best efforts (A) to obtain and furnish the information required to be included by the SEC in the Proxy Statement (as defined herein) and, after consultation with Parent, to respond as soon as practicable to any comments made by the SEC with respect to the preliminary proxy statement and to cause a definitive proxy statement (the "Proxy Statement") to be mailed to its shareholders and (B) to obtain the necessary approvals of the Merger and adoption of the Merger Agreement by its shareholders; and (iii) include in the Proxy Statement the recommendation of the Company Board of Directors that shareholders of the Company vote in favor of the adoption of the plan of merger set forth in the Merger Agreement. Each of Parent and Purchaser has

agreed in the Merger Agreement that it will vote all of the Shares acquired by it or any of its other Subsidiaries in favor of the approval of the Merger.

The Merger Agreement further provides that, notwithstanding the foregoing, if Purchaser holds at least 90 percent of each class of capital stock of the Company and Parent so elects, in its sole discretion, to consummate the Merger in accordance with Section 180.1104 of the WBCL without a meeting of the shareholders of the Company, but subject to providing shareholders with notice of the meeting, the parties to the Merger Agreement will take all necessary and appropriate action to cause the Merger to become effective as soon as practicable after the consummation of the Offer without a meeting of the shareholders of the Company, in accordance with such Section. This Offer to Purchase constitutes notice to shareholders required under Section 180.1104 of the WBCL. Purchaser currently does not intend to cause the Merger to occur without a vote of the Company's shareholders unless, after consummation of the Offer, it owns more than 94 percent of the Shares then outstanding.

Charter, Bylaws, Directors and Officers. The Articles of Incorporation and By-Laws of Purchaser in effect at the time of the Effective Time shall be the Articles of Incorporation and By-Laws of the Surviving Corporation until amended, subject to the provisions of the Merger Agreement which provide that all rights to indemnification now existing in favor of directors and officers of the Company and its Subsidiaries as provided in their respective charters or by-laws shall survive the Merger and continue in effect for not less than six years thereafter. The directors of Purchaser immediately prior to the Effective Time will be the initial directors of the Surviving Corporation, and the officers of the Company immediately prior to the Effective Time shall be the initial officers of the Surviving Corporation. Such officers and directors will hold office until their respective successors are duly elected and qualified, or their earlier death, permanent disability, resignation or removal.

Conversion of Shares. Each Share issued and outstanding immediately prior to the Effective Time (other than (i) any Shares held by Parent, Purchaser, any Subsidiary of Parent, Purchaser or the Company or in the treasury of the Company, which Shares, by virtue of the Merger and without any action on the part of the holder thereof, will be canceled and (ii) dissenting shares) will be converted into the right to receive in cash an amount per Share (subject to any applicable withholding tax) equal to the Offer Price, without interest (the "Merger Consideration"), upon surrender of the certificate representing such Share. At the Effective Time, each share of common stock of Purchaser, par value $.01, issued and outstanding immediately prior to the Effective Time will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become one share of common stock of the Surviving Corporation.

The Merger Agreement provides that, prior to the consummation of the Offer, the Company shall take all actions necessary or desirable (including obtaining all required consents from optionees) to provide for the cancellation, effective at the Effective Time, of all the outstanding stock options (the "Existing Stock Options") granted under any stock option, employment or similar plan or arrangement of the Company (the "Stock Option Plans") or under any such similar plan or agreement which benefits any person providing services to the Company or any subsidiary, without any payment therefor except as otherwise discussed in this Section 11. At the Effective Time (or such earlier time as Purchaser shall designate, each holder of an Existing Stock Option will be entitled, in settlement therefor to an amount in cash (subject to any applicable withholding taxes or as may apply to payments made in connection with the performance of services) equal to the product of (i) the excess of the Merger Consideration over the per share exercise or purchase price of such Existing Stock Option and (ii) the number of shares subject to such Existing Stock Option (the "Option Consideration"). The Stock Option Plans terminate as of the Effective Time and any and all rights under any provisions in any other plan, program or arrangement providing for the issuance or grant of any other interest in respect of the capital stock of the Company or any Subsidiary thereof shall be canceled. Notwithstanding the foregoing, no holder of an Existing Stock Option will be entitled to any payment with respect to any such Existing Stock Option under the Merger Agreement or otherwise unless he or she delivers to Purchaser a consent to the cancellation of such Existing Stock Option in a form to be prescribed by Purchaser.

Prior to the Effective Time, the Merger Agreement provides that the Company shall take all necessary and appropriate actions (including obtaining all applicable consents) to provide that, upon the Effective Time, each

then outstanding restricted stock award in respect of Shares and any other stock based award (the "Stock Awards") which is subject to any vesting requirement and which was issued pursuant to a Stock Option Plan or any other plan or arrangement (other than any Existing Stock Option) shall, whether or not then exercisable or vested, become 100 percent vested. At the Effective Time, a holder of Shares underlying such Stock Award shall be entitled to receive the Merger Consideration (subject to any applicable withholding tax or as may apply to payments in connection with the performance of services), upon the surrender of the certificate representing such Shares. Notwithstanding the foregoing, no holder of a Stock Award will be entitled to any payment with respect to such Stock Award under the Merger Agreement or otherwise unless he or she delivers to Purchaser a consent to the cancellation of such Stock Award in a form to be prescribed by Purchaser.

Representations and Warranties. Pursuant to the Merger Agreement, the Company has made customary representations and warranties to Parent and Purchaser with respect to, among other matters, its organization and qualification, capitalization, authority, consents and approvals, public filings, financial statements, absence of any material adverse effect on the Company, information to be included in the Offer Documents and the Proxy Statement, brokers, employee benefit plans, litigation, tax matters, compliance with law, environmental matters, intellectual property, real property, year 2000, material contracts, related party transactions, inapplicability of state take-over statutes, the Rights Agreement (as defined herein) and the vote required by the Company shareholders to approve the Merger. Each of Parent and Purchaser has made customary representations and warranties to the Company with respect to, among other matters, its organization, qualifications, authority, information to be included in the Offer Documents and the Proxy Statement, consents and approvals and operations of Purchaser.

Covenants. The Merger Agreement obligates the Company and its Subsidiaries, from the date of the Merger Agreement until the date on which the majority of the Company's directors are designees of Parent or Purchaser, to conduct their operations only in the ordinary and usual course of business consistent with past practice and obligates the Company and its Subsidiaries to use all best efforts to preserve intact their business organizations, to keep available the services of their present officers and employees and to preserve the good will of and maintain good business relationships with those having business relationships with the Company and its Subsidiaries. The Company is obligated to promptly advise Parent and Purchaser in writing of any change in its or any of its Subsidiaries condition (financial or otherwise). The Merger Agreement also contains specific restrictive covenants as to certain activities of the Company prior to the date on which the majority of the Company's directors are designees of Parent or Purchaser, which provide that the Company will not (and will not permit any of its Subsidiaries to) take certain actions without the prior written consent of Parent including, among other things and subject to certain exceptions, issuing or selling its securities, redeeming or repurchasing securities, changing its capital structure, making material acquisitions or dispositions, incurring indebtedness, increasing compensation or adopting of new benefit plans, taking any action that may result in the Offer conditions not being satisfied and permitting certain other material events or transactions.

No Solicitation. The Merger Agreement requires the Company, its Subsidiaries and its and their respective officers, directors, employees, representatives, agents or affiliates not to, directly or indirectly, encourage, solicit, initiate or participate in any way in any discussions or negotiations with, or provide any information to, or afford any access to the properties, books or records of the Company or any of its Subsidiaries, or otherwise take any other action to assist or facilitate, any Person or group concerning any offer or proposal, or any indication of interest in making an offer or proposal which is structured to permit such Person or group to acquire beneficial ownership of any material portion of the assets of, or at least 5 percent of the equity interest in, or businesses of, the Company pursuant to a merger, consolidation or other business combination, sale of shares of capital stock, sale of assets, tender offer or exchange offer or similar transaction, including any single or multi-step transaction or series of related transactions, in each case other than the Offer and the Merger ("Acquisition Proposal"). Notwithstanding the foregoing and subject to the Company notifying Parent and Purchaser to that effect and to the prior execution by such Person or group of a confidentiality agreement substantially in the form of the Confidentiality Agreement, the Company may furnish information to or enter into discussions or negotiations with any Person or entity that makes an unsolicited written bona fide Acquisition Proposal which the Board of Directors of the Company has reasonably determined in good faith, after consulting

with and receiving the advice of its independent financial advisors to such effect, that the Person or entity making such inquiry ("Potential Acquiror") has the financial wherewithal to consummate such Acquisition Proposal without having to obtain new financing, and after receiving the advice of its independent financial advisors to such effect, that such Acquisition Proposal would involve consideration that is superior to the consideration under the Offer and the Merger and after consulting with and receiving the advice of its outside counsel and independent financial advisors to such effect, that such Acquisition Proposal is reasonably likely to be consummated without undue delay ("Superior Proposal"), if, and only to the extent that, the Board of Directors of the Company, after consultation with outside legal counsel to the Company, determines in good faith that failure to do so would result in a breach of the fiduciary duty of the Board of Directors of the Company to the shareholders of the Company under applicable law. The Merger Agreement also requires the Company to promptly (and in any event within 48 hours) notify Parent and Purchaser, orally and in writing, if any such information is requested or any such negotiations or discussions are sought to be initiated and to promptly communicate to Parent and Purchaser the identity of the Potential Acquiror. If the Company (or any of its Subsidiaries or its or their respective officers, directors, employees, representatives, agents or affiliates) participates in discussions or negotiations with, or provides information to, a Potential Acquiror, the Company is obligated to keep Parent advised on a current basis of any developments with respect thereto. The Merger Agreement requires the Company and its Subsidiaries and its and their respective officers, directors, employees, representatives, agents and affiliates to, immediately cease and cause to be terminated any existing activities, discussions or negotiations with any Persons other than Parent, Purchaser or any of their respective affiliates or associates conducted prior to the date of the Merger Agreement with respect to any Acquisition Proposal.

The Merger Agreement provides that unless and until the Merger Agreement has been terminated, the Company shall not withdraw or modify, or propose publicly to withdraw or modify, in a manner adverse to Parent or Purchaser, the approval or recommendation of the Offer or the Merger, approve or recommend, or propose publicly to approve or recommend, any Acquisition Proposal, release any third party from any confidentiality or standstill agreement to which the Company is a party or fail to enforce to the fullest extent possible any such agreement, redeem the Rights or amend or waive, or take any other action with respect to, the Rights Agreement to facilitate any Acquisition Proposal or enter into any letter of intent, agreement in principle, acquisition agreement or other agreement related to any Acquisition Proposal. Any withdrawal or modification by the Company of the approval or recommendation of the Offer or the Merger shall not have any effect on the approvals of the Company for the purpose of causing take-over laws and the Rights Agreement to be inapplicable to the Merger Agreement or the Shareholder Option Agreement.

Access to Information. The Merger Agreement provides that from and after the date of the Merger Agreement, the Company will, and will cause its Subsidiaries to, give Parent and Purchaser and their representatives full access, during normal business hours, to the offices and other facilities and to the books and records of the Company and its Subsidiaries, subject to applicable confidentiality requirements.

Efforts. Subject to the terms and conditions provided in the Merger Agreement, each of the Company, Parent and Purchaser agrees to use its commercially reasonable efforts to take, or cause to be taken, all appropriate action and to do or cause to be done all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective in the most expeditious manner practicable the transactions contemplated by the Merger Agreement except that Parent and Purchaser are not obligated to extend the Offer except as provided herein.

Each of the parties also has agreed to use its reasonable best efforts to make promptly any required submissions under the HSR Act, cooperate in determining whether any filings should be made or consents from any Governmental Entity are required, promptly make such filings and seek to obtain timely any consents, permits, authorizations, approval or waivers.

Nothing in the Merger Agreement shall obligate Parent, Purchaser or any of their respective Subsidiaries or affiliates to agree (a) to limit in any manner whatsoever or not to exercise any rights of ownership of any securities (including the Shares), or to divest, dispose of or hold separate any securities or all or a material portion

of their respective businesses, assets or properties or of the business, assets or properties of the Company or any of its Subsidiaries or (b) to limit in any material manner whatsoever the ability of such entities (A) to conduct their respective businesses or own such assets or properties or to conduct the businesses or own the properties or assets of the Company and its Subsidiaries or (B) to control their respective businesses or operations or the businesses or operations of the Company and its Subsidiaries.

Indemnification; Directors' and Officers' Insurance. Pursuant to the Merger Agreement, Parent and Purchaser have agreed that all rights to indemnification existing in favor of the present or former directors, officers and employees of the Company or any of its Subsidiaries as provided in the Company's Articles of Incorporation or Bylaws, or the articles of organization, bylaws or similar documents of any of the Company's Subsidiaries as in effect at the date of the Merger Agreement with respect to matters occurring prior to the Effective Time shall survive the Merger and continue in full force and effect for a period of not less than the statutes of limitations applicable to such matters, and Parent agreed to cause the Surviving Corporation to comply fully with these obligations. The Merger Agreement further provides that the Surviving Corporation will cause to be maintained in effect for a period of six years after the Effective Time, in respect of acts or omissions occurring prior to the Effective Time (but only in respect thereof), policies of directors' and officers' liability insurance covering the persons covered by the Company's existing directors' and officers' liability insurance policies at the date of the Merger Agreement and providing substantially similar coverage to such existing policies; provided, that the Surviving Corporation will not be required in order to maintain such directors' and officers' liability insurance policies to pay an annual premium in excess of 200 percent of the aggregate annual amounts paid by the Company at the date of the Merger Agreement to maintain the existing policies; and provided further that, if equivalent coverage cannot be obtained, or can be obtained only by paying an annual premium in excess of 200 percent of such amount, the Surviving Corporation shall only be required to obtain as much coverage as can be obtained by paying an annual premium equal to 200 percent of such amount.

Employee Benefit Arrangements. The Merger Agreement provides that, prior to the Effective Time, except as set forth below, the Company will, and will cause its Subsidiaries to, and from and after the Effective Time, Parent will, and will cause the Surviving Corporation to, honor, in accordance with their terms all existing employment and severance agreements between the Company or any of its Subsidiaries and any officer, director or employee of the Company or any of its Subsidiaries to the extent disclosed in connection with the Merger Agreement. The Merger Agreement also provides that the Company shall take, or cause to be taken, all action necessary, as promptly as reasonably practicable, to amend any plan maintained by the Company or any of its Subsidiaries to eliminate, as of the date of the signing of the Merger Agreement, all provisions for the purchase of Shares directly from the Company or any of its Subsidiaries or securities of any Subsidiary and also requires that Parent and the Surviving Corporation cause service rendered by employees of the Company and its Subsidiaries prior to the Effective Time to be taken into account for vesting and eligibility purposes under employee benefit plans of Parent, the Surviving Corporation and its Subsidiaries, to the same extent as such service was taken into account under the corresponding plans of the Company and its Subsidiaries for those purposes. The Merger Agreement also provides that employees of the Company and its Subsidiaries will not be subject to any pre-existing condition limitation under any health plan of Parent, the Surviving Corporation or its Subsidiaries for any condition for which they would have been entitled to coverage under the corresponding plan of the Company or its Subsidiaries in which they participated prior to the Effective Time and that Parent will, and will cause the Surviving Corporation and its Subsidiaries to, give such employees credit under such plans for co-payments made and deductibles satisfied prior to the Effective Time.

Take-over Laws. The Merger Agreement provides that the Company will, upon the request of Parent or Purchaser, take all reasonable steps to exclude the applicability of, or to assist in any challenge by Parent or Purchaser to the validity or applicability to the Offer, the Merger or any other transaction contemplated by the Merger Agreement, the Shareholder Option Agreement of, any Take-over laws.

Notification of Certain Matters. Parent and the Company have agreed to promptly notify each other of the occurrence or non-occurrence of any event the occurrence or non-occurrence of which is likely (i) to cause any representation or warranty contained in the Merger Agreement to be untrue or inaccurate in any material

respect at or prior to the Effective Time or (ii) to result in any material failure of such party, to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it under the Merger Agreement; provided, however, that such notification will not affect the remedies available under the Merger Agreement to the parties receiving such notification.

Subsequent Filings. In the Merger Agreement the Company agreed that until the Effective Time it will timely file with the SEC each form, report and document required to be filed by the Company under the Exchange Act and will promptly deliver to Parent and Purchaser copies of each such report filed with the SEC. The Company further agreed that as of their respective dates, none of such reports shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and that the audited consolidated financial statements and unaudited interim financial statements of the Company included in such reports shall be prepared in accordance with generally accepted accounting principles in the United States and shall fairly present the financial position of the Company and its consolidated Subsidiaries as at the dates thereof.

Public Announcements. The Merger Agreement provides that the Company, on the one hand, and Parent and Purchaser, on the other hand, will consult with each other prior to issuing any press release or otherwise making any public statements with respect to the Offer, the Merger or the Merger Agreement and will not issue any such press release or make any such public statement prior to such consultation, unless required by applicable law or stock exchange regulations.

Conditions to the Consummation of the Merger. Pursuant to the Merger Agreement, the respective obligations of Parent, Purchaser and the Company to consummate the Merger are subject to the satisfaction or waiver, where permissible, before the Effective Time of the following conditions: (i) the plan of merger contained in the Merger Agreement shall have been adopted by the affirmative vote of the shareholders of the Company required by applicable law, (ii) all necessary waiting periods under the HSR Act applicable to the Merger and any non-United States competition or antitrust laws which Purchaser determines, in its reasonable discretion, are applicable to the Merger Agreement and the transactions contemplated thereby shall have expired or been terminated, (iii) the consummation of the Merger is not prohibited, restricted or made illegal by any statute, rule, regulation, executive order, judgment, decree or injunction of a court or any Governmental Entity (provided that each party agreed to use all commercially reasonable efforts to have such prohibition lifted) and (iv) Purchaser shall have accepted for payment and paid for Shares tendered pursuant to the Offer.

Termination. The Merger Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, notwithstanding approval thereof by the shareholders of the Company (with any termination by Parent also being an effective termination by Purchaser):

(a) by the mutual written consent of the Company and Parent;

(b) by Parent or the Company if any court of competent jurisdiction or other Governmental Entity shall have issued an order, decree or ruling, or taken any other action restraining, enjoining or otherwise prohibiting any of the transactions contemplated by the Merger Agreement or the Shareholder Option Agreement and such order, decree, ruling or other action shall have become final and non-appealable;

(c) by the Company if (i) Purchaser fails to commence the Offer by October 27, 1999, (ii) Purchaser has not accepted for payment and paid for Shares pursuant to the Offer in accordance with the terms of the Offer on or before January 10, 2000 or (iii) Purchaser fails to purchase validly tendered Shares in violation of the terms of the Merger Agreement;

(d) by Parent if due to an occurrence or circumstance which would result in a failure to satisfy any of the conditions of the Offer, Purchaser shall have (i) not commenced the Offer by October 27, 1999, (ii) terminated the Offer without purchasing any Shares pursuant to the Offer or (iii) failed to accept for payment Shares pursuant to the Offer prior to January 10, 2000;

(e) by the Company, prior to the purchase of Shares pursuant to the Offer, if (i) the Company has complied with its obligations under the Merger Agreement not to solicit competing transactions, (ii) the

Company has given Parent and Purchaser at least three business days advance notice of its intention to accept or recommend a Superior Proposal and of all of the terms and conditions of such Superior Proposal, (iii) the Company's Board of Directors, after taking into account any modifications to the terms of the Offer and the Merger proposed by Parent and Purchaser after receipt of such notice, continues to believe such Acquisition Proposal constitutes a Superior Proposal and (iv) the Board of Directors of the Company, after consultation with outside legal counsel to the Company, determines in good faith that failure to do so would result in a breach of the fiduciary duty of the Board of Directors of the Company to the shareholders of the Company under applicable law; provided that such termination shall not be effective unless and until the Company shall have paid to Parent all of the fees and expenses described in Section 8.02 of the Merger Agreement, including, without limitation, the Termination Fee; or

(f) by Parent, prior to the purchase of Shares pursuant to the Offer, if the Company breaches any of its covenants in the Merger Agreement discussed above under "Nonsolicitation" or the Board of Directors shall have resolved to effect any of the actions referred to in the second paragraph of such discussion (and such resolution shall be made public).

Effect of Termination. In the event that the Merger Agreement is terminated in accordance with its terms and the Merger is abandoned, the Merger Agreement will become void and have no effect, without any liability on the part of any party or its directors, officers or shareholders, other than the provisions relating to the payment of certain fees and expenses, including the Termination Fee, which shall survive any such termination; provided that no party would be relieved from liability for any breach of the Merger Agreement.

Fees and Expenses. Except as provided below, whether or not the Merger is consummated, all costs and expenses incurred in connection with the Offer, the Merger Agreement and the transactions contemplated by the Merger Agreement will be paid by the party incurring such expenses. In the event that the Merger Agreement is terminated pursuant to (a) subparagraph (e) or (f) under "Termination" above or (b) paragraphs (b), (c)(ii) or (d) under "Termination" above and (in the case of clause (b) only) either (i) prior to such termination an Acquisition Proposal shall have been made or publicly announced or (ii) within 12 months thereafter an Acquisition Proposal shall have been consummated, then the Company will reimburse Parent for the out-of-pocket fees and expenses of Parent and Purchaser (including printing fees, filing fees and fees and expenses of its legal and financial advisors) related to the Offer, the Merger Agreement, the transactions contemplated thereby and any related financing up to a maximum of $750,000 (collectively "Expenses") and pay Parent a termination fee of $4 million (the "Termination Fee") in immediately available funds by wire transfer to an account designated by Parent. If such amounts become payable pursuant to clause (a) or (b)(i) they will be payable simultaneously with such termination (in the case of a termination by the Company) or within one business day thereafter (in the case of a termination by Parent). If such amounts become payable pursuant to clause (b)(ii) they shall be payable simultaneously with completion of such Acquisition Proposal. Without limiting other remedies available to Parent or Purchaser under the Merger Agreement or otherwise, in the event the Merger Agreement is terminated pursuant to subparagraph (c)(ii) or (d) under "Termination" as a result of the failure to satisfy the conditions set forth in paragraph (f) of Section 14 hereof, then the Company will promptly (and in any event with one business day after such termination) reimburse Parent for Expenses in immediately available funds by wire transfer to an account designated by Parent. The prevailing party in any legal action undertaken to enforce the provisions of the Merger Agreement will be entitled to recover from the other party the costs and expenses (including attorneys' and expert witness fees) incurred in connection with such action.

Amendment. To the extent permitted by applicable law, the Merger Agreement may be amended by action taken by or on behalf of the Boards of Directors of the Company, Parent and Purchaser, subject in the case of the Company to the approval of the Continuing Directors as described under "Directors" above, at any time before or after adoption of the Merger Agreement by the shareholders of the Company but, after any such shareholder approval, no amendment may be made which decreases the Merger Consideration or which adversely affects the rights of the Company's shareholders hereunder without the approval of the shareholders of the Company. Any amendment to the Merger Agreement must be in writing.

Extension; Waiver. At any time prior to the Effective Time, the parties hereto may, by action taken by or on behalf of their respective Boards of Directors subject in the case of the Company, to the approval of the Continuing Directors as described under "Directors" above and in writing (i) extend the time for the performance of any of the obligations or other acts of any other party to the Merger Agreement to, (ii) waive any inaccuracies in the representations and warranties contained therein of any other party thereto or in any document, certificate or writing delivered pursuant to the Merger Agreement by any other party thereto, or (iii) waive compliance with any of the agreements of any other party or with any conditions to its own obligations. Any agreement on the part of any party to such extension or waiver must be in writing and signed by such party.

(d) The Shareholder Option Agreement

In order to induce Parent and Purchaser to enter into the Merger Agreement, pursuant to the Shareholder Option Agreement each of the directors of the Company (each a "Shareholder" and collectively the "Shareholders"), who own in the aggregate approximately 26.5 percent of the outstanding Shares on a fully diluted basis, have agreed to validly tender in the Offer and not withdraw all Shares beneficially owned by such Shareholder on the date of the Shareholder Option Agreement or subsequently acquired by such Shareholder.

Each Shareholder has granted Purchaser an irrevocable option to purchase all Shares owned by such Shareholder (the "Option Shares") at $5.05 per Share, exercisable at any time in whole or in part after (i) the occurrence of any event as a result of which the Parent is entitled to receive a Termination Fee under the Merger Agreement or (ii) such Shareholder shall have breached certain specified agreements contained in the Shareholder Option Agreement. Each such option shall be exercisable until the later of (i) the date that is 90 days after the date such option became exercisable, and (ii) the date that is ten days after the date that all waiting periods under the HSR Act or any non-United States competition or antitrust laws which Purchaser, in its sole discretion determines are required for the purchase of such Shares have expired or been terminated. In the event that any person (other than Purchaser or any of its affiliates or any Shareholder or any of its affiliates) acquires a majority of the outstanding Shares, prior to the termination of the Shareholder Option Agreement, in a tender offer or exchange offer by such person to acquire, or a merger involving the acquisition of, all outstanding Shares at a consideration per Share in excess of $5.05, the exercise price for the Option Shares shall be increased by 50% of the amount of such excess. If an Option has been exercised and the Option Shares acquired from a Shareholder by Purchaser prior to such an acquisition, Purchaser shall, within ten days following such date, pay to such Shareholder an amount in cash equal to the amount of such excess multiplied by the number of such Option Shares. If the consideration in such tender or exchange offer or merger includes securities, such securities shall be deemed to have a value equal to the amount that would actually have been received in an orderly sale of such securities commencing on the first business day following actual receipt of such securities, in the written opinion of an investment banking firm of national reputation selected by Purchaser and reasonably satisfactory to the Shareholder.

Each Shareholder has agreed that at any meeting of the shareholders of the Company or in connection with any written consent of the shareholders of the Company, such Shareholder will vote (or cause to be voted) all Shares held of record or owned by such Shareholder (i) in favor of the Merger and the Merger Agreement and the Shareholder Option Agreement and (ii) against any Acquisition Proposal and against any action or agreement that would impede or frustrate the Shareholder Option Agreement or result in a breach in any respect of any obligation or agreement of the Company under the Merger Agreement or which would result in any of the conditions described in subparagraph (c) above or in Section 14 not being fulfilled. Each such Shareholder irrevocably granted to and appointed Purchaser as such Shareholder's proxy and attorney-in-fact to vote the Shares owned by such Shareholder, or grant a consent or approval in respect of such Shares, in the manner specified above.

Each Shareholder has agreed that, except as provided by the Merger Agreement and the Shareholder Option Agreement, such Shareholder will not (i) offer to transfer, transfer or consent to any transfer, (ii) enter

into any contract, option or other agreement or understanding with respect to any transfer, (iii) grant any proxy, power-of-attorney or other authorization or (iv) deposit into a voting trust or enter into a voting agreement or arrangement, each with respect to any or all Shares beneficially owned by such Shareholder.

Each Shareholder has agreed that such Shareholder shall not encourage, solicit, initiate or participate in any way in any discussion or negotiation with, or provide information or otherwise take any action to assist or facilitate, any person concerning any Acquisition Proposal. Each Shareholder has agreed to cease any such existing activities and to immediately communicate to Purchaser the terms of any Acquisition Proposal.

Each Shareholder has waived any rights of appraisal or rights to dissent from the Merger.

The Shareholder Option Agreement with respect to each Shareholder shall terminate upon the earliest of (i) the Effective Time of the Merger, (ii) April 30, 2000 or, if the Option is exercisable at April 30, 2000, such later date as the Option shall no longer be exercisable, and (iii) termination of the Merger Agreement, unless either (A) Parent is or may be entitled to receive a Termination Fee under the Merger Agreement following such termination or (B) prior to such termination such Shareholder has breached certain specified agreements contained in the Shareholder Option Agreement.

(e) Confidentiality Agreement

Pursuant to the Confidentiality Agreement, Parent and its representatives agreed to keep confidential certain information received from the Company (the "Evaluation Material"). The Confidentiality Agreement contains a standstill provision pursuant to which, until the earliest of (a) September 22, 2000, (b) the date upon which the Company publicly announces that it has entered, or that it has agreed to enter into a business combination with a third party and (c) the date upon which a third party publicly announces a definitive proposal or an offer for a business combination with the Company, or publicly announces an agreement to enter into a business combination with the Company, Parent agreed not to (i) acquire, or agree to acquire any securities or property of the Company unless such action shall have been expressly first approved by the Company's board of directors, (ii) solicit proxies from shareholders of the Company or otherwise seek to influence or control the management or policies of the Company or (iii) assist any other person in doing any of the foregoing. Also pursuant to the standstill provision, if, prior to September 22, 2000, the Company invites any other person or entity to submit a definitive proposal regarding a business combination that is to be considered at a meeting of the board of directors of the Company, or a meeting of the board of directors of the Company is called to consider any uninvited proposal for a business combination, the Company agreed to give Parent reasonable notice of such action and that Parent may make a proposal for a business combination, which proposal will be considered at the same meeting of the board of directors of the Company.

Pursuant to the Confidentiality Agreement, Parent and its representatives agreed, prior to September 22, 2000, not to solicit or cause to be solicited for employment any employee of the Company identified through the Evaluation Material.

(f) Dissenters' Rights

Sections 180.1301 through 180.1331 of the WBCL may provide holders of record and beneficial owners of Shares the right to object to the Merger and demand payment of the "fair value" of their Shares in cash ("dissenters' rights"), if they properly exercise such dissenters' rights in connection with the consummation of the Merger in accordance with the provisions of the WBCL. Such dissenters' rights will not be available if the Shares are registered on a national securities exchange or quoted in the National Association of Securities Dealers, Inc. automated quotations system on the record date fixed to determine the shareholders of the Company entitled to notice of a shareholders meeting at which shareholders are to vote on the Merger, unless the Merger would be a "business combination" as defined in Section 180.1130(3) of the WBCL. The Merger would not be a business combination if, among other things, it was consummated as a merger of the Company into Purchaser without a vote of shareholders of the Company pursuant to Section 180.1104 of the WBCL, or the Company is

not a "resident domestic corporation" (see Section 15) that has a class of voting stock that is registered or traded on a national securities exchange or that is registered under section 12(g) of the Exchange Act. "Fair value" of the Shares would be determined immediately before the consummation of the Merger, excluding any appreciation or depreciation in anticipation of the Merger unless such exclusion would be inequitable; provided, that if such Merger is a business combination, "fair value" will be determined pursuant to Section 180.1130(9)(a) of the WBCL with reference to the public market price of the Shares, if available or, if not available, by a good faith determination of the Company's Board of Directors. The "fair value", as so determined, could be more or less than the value per Share to be paid pursuant to the Offer and the Merger.

The foregoing summary of the dissenters' rights does not purport to be a complete statement of the procedures to be followed by shareholders desiring to exercise their dissenters' rights in connection with the Merger.

(g) Executive Employment Agreements

The Company has entered into letter agreements with certain of its managers, including Messrs. Robert Spring and John Scanlon, providing for the continued employment of such persons by the Company after completion of the Offer and , among other matters, for certain severance payments (generally six months of such manager's then current base salary) if the manager's employment with the Company terminates for any reason other than "cause" prior to the three year anniversary of the Effective Time. These severance payments will not be required to be paid in the event that the manager terminates his or her employment with the Company voluntarily. For these purposes, "cause" means (a) the manager is convicted of a crime involving moral turpitude, (b) the commission of an act of fraud upon the Company or misappropriation of funds or property of the Company, (c) a material violation of the Company's policy concerning conflicts of interest or business ethics or (d) the result of gross negligence or dereliction in the performance of the manager's job responsibilities. In addition, the Company advised the managers that Parent intends to grant an aggregate of options to purchase up to 7,000 shares of Parent common stock to such managers.

The Company and Richard Lund (the Company's President and Chief Executive Officer), and the Company and Edward Stephens (the Company's Chief Financial Officer), respectively, have entered into an amendment (the "Change in Control Amendment") to each such executive's existing change in control agreement with the Company. Messrs. Lund and Stephens agreed in the Change in Control Amendment to certain noncompetition and non- solicitation restrictions, and also agreed not to terminate their employment voluntarily with the Company at any time prior to January 31, 2000. The Company and Messrs. Lund and Stephens also agreed in the Change in Control Amendment that neither Mr. Lund nor Mr. Stephens would be entitled to any other severance payment or benefit or any other payment or benefit conditioned on or related to any change in control of the Company other than the payments and benefits expressly prescribed by each such executive's existing change in control agreement, as amended by the Change in Control Amendment.

(h) "Going Private" Transactions

Rule 13e-3 under the Exchange Act is applicable to certain "going private" transactions and may under certain circumstances be applicable to the Merger. However, Rule 13e-3 would be inapplicable if (i) the Shares are deregistered under the Exchange Act prior to the Merger or other business combination or (ii) the Merger or other business combination is consummated within one year after the purchase of the Shares pursuant to the Offer and the amount paid per Share in the Merger or other business combination is at least equal to the amount paid per Shares in the Offer. If applicable, Rule 13e-3 requires, among other things, that certain financial information concerning the Company and certain information relating to the fairness of the proposed transaction and the consideration offered to minority shareholders of the Company therein, be filed with the SEC and disclosed to shareholders of the Company prior to consummation of the transaction. Purchaser does not believe that Rule 13e-3 will be applicable to any subsequent acquisition transaction contemplated herein.

12. Rights Agreement

Set forth below is a summary description of the Rights, as filed with the Company's Registration Statement on Form 8-A, dated August 4, 1998, relating to the Rights.

On August 4, 1998, the Board of Directors of the Company authorized and declared a dividend of one Right for each outstanding share of Common Stock. The dividend was payable to Shareholders at the close of business on August 7, 1998 (the "Record Date") and with respect to all shares of Common Stock that become outstanding after the Record Date and prior to the earliest of the Separation Date (as defined below) the redemption of the Rights, the exchange of the Rights and the expiration of the Rights. Each Right entitles the registered holder of a share of Common Stock to purchase from the Company one share of Common Stock at a price of $15.00 per share, subject to adjustment to prevent dilution (the "Purchase Price").

The Rights will be evidenced by Common Stock certificates and not separate certificates until the earlier to occur of (i) 10 days following the date of public disclosure that a person or group, together with persons affiliated or associated with it (other than the Company, subsidiary of the Company, an employee benefit plan of the Company or subsidiary, Molly F. Cade, or affiliate, provided her ownership does not exceed 25 percent, or certain other holders) (an "Acquiring Person") has acquired, or obtained the right to acquire beneficial ownership of 15 percent or more of the outstanding shares of Common Stock (the "Stock Acquisition Date") and (ii) 10 days following commencement or disclosure of an intention to commence a tender offer or exchange offer by a person (other than the Company, a subsidiary of the Company, an employee benefit plan of the Company or a subsidiary, Molly F. Cade, or affiliate, provided her ownership does not exceed 25 percent, or certain other holders) the consummation of which would result in the beneficial ownership by a person or group together with persons affiliated or associated with it of 50 percent or more of the outstanding shares of Common Stock (the earlier of such dates being the "Separation Date").

The Rights Agreement provides that, until the Separation Date (or earlier redemption or expiration of the Rights), the Rights are only transferable with shares of the Common Stock, and the surrender for transfer of any certificates for shares of the Common Stock will also constitute the transfer of the Rights associated with the shares represented by such certificate. Following the Separation Date, separate certificates will evidence the Rights.

The Rights will first become exercisable on the Separation Date (unless sooner redeemed). The Rights will expire at the close of business on August 3, 2008, unless the Rights are earlier redeemed or exchanged by the Company.

In the event that any person becomes an Acquiring Person (a "Flip In Event"), each holder of a Right (except as provided below) will thereafter generally have the right to purchase, upon exercise of the Right for the then-current Purchase Price, that number of shares of Common Stock having a market value of two times the then-current Purchase Price.

In the event that, following the Separation Date, the Company is acquired in a merger or other business combination in which the Common Stock does not remain outstanding or is changed or 50 percent or more of its consolidated assets is sold, leased, exchanged, mortgaged, pledged or otherwise transferred or disposed of (in one transaction or a series of transactions) (a "Flip Over Event"), each holder of a Right (except as provided below) will thereafter generally have the right to purchase upon the exercise of the Rights at the then-current Purchase Price, that number of shares of Common Stock of the acquiring company (or, in certain circumstances, one of its affiliates) which at the time of such transaction would have a market value of two times the Purchase Price.

Any "Flip In Event" or "Flip Over Event" is referred to herein as a "Triggering Event".

Notwithstanding any of the foregoing, any Rights beneficially owned at any time on or after the Separation Date by an Acquiring Person or an affiliate or associate of an Acquiring Person (whether or not such ownership

is subsequently transferred) will become null and void upon the occurrence of the earlier of the Board of Directors' decision to exchange the Rights and a Triggering Event, and any holder of such Rights will have no right to exercise the Rights.

At any time prior to the earlier of (i) the closing of business on the tenth day following the time that it becomes public that an Acquiring Person has become such (with the possibility for the Board of Directors to extend this time for an additional time) and (ii) the Expiration Date, the Company may redeem the Rights in whole, but not in part, at a price of $.0001 per Right. Immediately upon the action of the Company's Board of Directors electing to redeem the Rights, the right to exercise the Rights will terminate and the only right of the holders of Rights thereafter will be to receive the applicable redemption price.

At any time any person becomes an Acquiring Person and prior to such time as such person, together with its affiliates and associates becomes the beneficial owner of at least 50 percent of the Company's outstanding Common Stock, the Company may, provided that all necessary regulatory approvals have been obtained, exchange the Rights (other than Rights owned by the Acquiring Person which become null and void), in whole or in part, at a ratio of one share of Common Stock per Right, subject to adjustment.

In connection with the Company entering into the Merger Agreement, the Company has amended the Rights Agreement, (i) to render the Rights Agreement inapplicable to the Merger Agreement, the Shareholder Option Agreement, the Offer and the Merger, (ii) to ensure that (A) Parent and Purchaser, or either of them or their respective affiliates or Subsidiaries, are not deemed to be an Acquiring Person pursuant to the Rights Agreement and (B) neither a Separation Date nor a Stock Acquisition Date occur by reason of the execution and delivery of the Merger Agreement, the Shareholder Option Agreement or by the announcement or consummation of the Offer or the Merger (C) no Rights shall separate from the shares of Common Stock or otherwise become exercisable and (D) so that the Company will have no obligations under the Rights or the Rights Agreement (in connection with the Offer and the Merger) and the shareholders of the Company will have no rights, remedy or claim, whether legal or equitable, under the Rights or the Rights Agreement (in connection with the Offer and the Merger).

13. Source and Amount of Funds

Parent and Purchaser estimate that the total amount of funds required to purchase all of the outstanding Shares pursuant to the Offer and the Merger and to pay related fees and expenses will be approximately $117,338,000. Purchaser will obtain such funds from Parent. Parent currently intends to obtain such funds from available cash on hand at the time of completion of the Offer.

14. Certain Conditions of the Offer

Notwithstanding any other provision of the Offer, Purchaser shall not be required to accept for payment, purchase or pay for any Shares tendered in connection with the Offer and may terminate or, subject to the terms of the Merger Agreement, amend the Offer, if (i) there shall not be validly tendered and not properly withdrawn prior to Expiration Date that number of Shares which, together with any Shares beneficially owned by Purchaser or Parent (including Shares which Purchaser has the immediate right to acquire under the Shareholder Option Agreement), represents at least 75 percent of the total number of outstanding Shares on a fully diluted basis, (ii) any applicable waiting period under the HSR Act shall not have expired or been terminated or (iii) at any time on or after the date of the Merger Agreement and prior to the Expiration Date, any of the following conditions exist:

(a) there shall have been any action taken, or any statute, rule, regulation, legislation, interpretation, judgment, order or injunction, proposed, sought, promulgated, enacted, entered, enforced, issued, amended or deemed applicable to Parent, Purchaser, the Company, any other affiliate of Parent or the Company, the Offer or the Merger, that is reasonably likely, directly or indirectly, to (1) make the acceptance for payment of, or payment for or purchase of some or all of the Shares pursuant to the Offer illegal, or otherwise restrict or prohibit or make materially more costly the consummation of the Offer or the Merger, (2) result in a

significant delay in or restrict the ability of Purchaser to accept for payment, pay for or purchase some or all of the Shares pursuant to the Offer or to effect the Merger, (3) render Purchaser unable to accept for payment or pay for or purchase some or all of the Shares pursuant to the Offer, (4) impose material limitations on the ability of Parent, Purchaser or any of their respective Subsidiaries or affiliates to acquire or hold, transfer or dispose of, or effectively to exercise all rights of ownership of, some or all of the Shares including the right to vote the Shares purchased by it pursuant to the Offer on an equal basis with all other Shares on all matters properly presented to the shareholders of the Company, (5) require the divestiture by Parent, Purchaser or any of their respective Subsidiaries or affiliates of any Shares, or require Purchaser, Parent, the Company, or any of their respective Subsidiaries or affiliates to dispose of or hold separate all or any material portion of their respective businesses, assets or properties or impose any material limitations on the ability of any of such entities to conduct their respective businesses or own such assets, properties or Shares or on the ability of Parent or Purchaser to conduct the business of the Company and its Subsidiaries and own the assets and properties of the Company and its Subsidiaries, (6) impose any material limitations on the ability of Parent, Purchaser or any of their respective Subsidiaries or affiliates effectively to control the business or operations of the Company, Parent, Purchaser or any of their respective Subsidiaries or affiliates or (7) otherwise materially adversely affect Parent, Purchaser, the Company or any of their respective Subsidiaries or affiliates, or their business, assets, liabilities, condition (financial or otherwise), results of operations or prospects, or the value of the Shares or otherwise make consummation of the Offer or the Merger unduly burdensome;

(b) there shall have been threatened, instituted or pending any action, proceeding or counterclaim by or before any Governmental Entity, challenging the making of the Offer or the acquisition by Purchaser of the Shares pursuant to the Offer or the consummation of the Merger, or seeking to obtain any material damages, or seeking to, directly or indirectly, result in any of the consequences referred to in clauses (1) through (7) of paragraph (a) above;

(c) there shall have occurred (1) any general suspension of, or limitation on prices for, trading in securities on any national securities exchange or in the over-the-counter market in the United States, (2) the declaration of any banking moratorium or any suspension of payments in respect of banks or any limitation (whether or not mandatory) on the extension of credit by lending institutions in the United States, (3) the commencement of a war, armed hostilities or any other international or national calamity involving the United States or (4) in the case of any of the foregoing existing at the time of the execution of the Merger Agreement, a material acceleration or worsening thereof;

(d) any Person or "group" (as such term is used in Section 13(d)(3) of the Exchange Act) other than Parent, Purchaser or the Option Grantors or any of their respective affiliates shall have become the beneficial owner (as that term is used in Rule 13d-3 under the Exchange Act) of more than 25 percent of the outstanding Shares;

(e) there shall have occurred any change, condition, event or development that, individually or in the aggregate, has had or is reasonably likely to have, a Material Adverse Effect;

(f) the Company shall have breached or failed to comply in any material respect with any of its obligations, covenants, or agreements under the Merger Agreement or any representation or warranty of the Company contained in the Merger Agreement that is qualified as to materiality shall not be true and correct, or any such representation or warranty that is not so qualified shall not be true and correct, and has had or is reasonably likely to have a material adverse effect on the Company, in each case either as of when made or at and as of any time thereafter; or

(g) the Merger Agreement shall have been terminated pursuant to its terms or shall have been amended pursuant to its terms to provide for such termination or amendment of the Offer;

which, in the good faith judgment of Parent or Purchaser, in any case, and regardless of the circumstances (excluding any direct action or inaction by Parent or Purchaser or any of their affiliates which to Parent's and Purchaser's knowledge is reasonably likely to cause any of the above conditions to exist) giving rise to any such condition, makes it inadvisable to proceed with the Offer or with acceptance for payment or payment for Shares.

The foregoing conditions are for the sole benefit of Parent and Purchaser and may be asserted regardless of the circumstances (excluding any direct action or inaction by Parent or Purchaser or any of their affiliates which to Parent's and Purchaser's knowledge is reasonably likely to cause any of the above conditions to exist) or waived by Parent or Purchaser in whole or in part at any time or from time to time in its reasonable discretion subject to the terms and conditions of the Merger Agreement. The failure of Parent or Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed an ongoing right which may be asserted at any time and from time to time. Any determination by Parent or Purchaser concerning the events described above will be final and binding on all parties.

Notwithstanding the fact that Purchaser reserves the right to assert the occurrence of a condition following acceptance for payment but prior to payment in order to delay payment or cancel its obligation to pay for properly tendered Shares, Purchaser will either promptly pay for such Shares or promptly return such Shares.

15. Certain Legal Matters

General.

Except as otherwise disclosed herein, Parent and Purchaser are not aware of any licenses or other regulatory permits which appear to be material to the business of the Company and which might be adversely affected by the acquisition of Shares by Purchaser pursuant to the Offer or of any approval or other action by any governmental, administrative or regulatory agency or authority which would be required for the acquisition or ownership of Shares by Purchaser pursuant to the Offer. Should any such approval or other action be required, it is currently contemplated that such approval or action would be sought or taken. There can be no assurance that any such approval or action, if needed, would be obtained or, if obtained, that it will be obtained without substantial conditions or that adverse consequences might not result to the Company's or Parent's business or that certain parts of the Company's or Parent's business might not have to be disposed of in the event that such approvals were not obtained or such other actions were not taken, any of which could cause Purchaser to elect to terminate the Offer without the purchase of the Shares thereunder. Purchaser's obligation under the Offer to accept for payment and pay for Shares is subject to certain conditions. See Section 14.

Antitrust Compliance.

Under the provisions of the HSR Act applicable to the Offer, the purchase of Shares under the Offer may be consummated following the expiration or earlier termination of a 15-calendar-day waiting period following the filing by Purchaser of a Notification and Report Form with respect to the Offer, unless Purchaser receives a request for additional information or documentary material from the Antitrust Division of the U.S. Department of Justice (the "Antitrust Division") or the U.S. Federal Trade Commission (the "FTC"). Purchaser expects to make its filing with the Antitrust Division and the FTC on or about October 25, 1999. If, within the initial 15-day waiting period, either the Antitrust Division or the FTC requests additional information or documentary material from Purchaser, the waiting period will be extended and would expire at 11:59 p.m., New York City time, on the tenth calendar day after the date of substantial compliance by Purchaser with such request. Only one extension of the waiting period pursuant to a request for additional information is authorized by the HSR Act. Thereafter, such waiting period may be extended only by court order or with the consent of Purchaser. If the acquisition of Shares is delayed pursuant to a request by the FTC or the Antitrust Division for additional information or documentary material pursuant to the HSR Act, the Offer may, at the sole discretion of Purchaser, be extended and, in any event, the purchase of and any payment for Shares will be deferred until the Expiration Date. Unless the Offer is extended, any extension of the waiting period may not give rise to any additional withdrawal rights. See Section 4.

In practice, complying with a request for additional information or documentary material can take significant amount of time. In addition, if the Antitrust Division or the FTC raises substantive issues in connection with a proposed transaction, the parties frequently engage in negotiations with the relevant

governmental agency concerning possible means of addressing those issues and may agree to delay consummation of the transaction while such negotiations continue.

The FTC and the Antitrust Division frequently scrutinize the legality under the antitrust laws of transactions such as Purchaser's proposed acquisition of the Company. At any time before or after Purchaser's purchase of Shares pursuant to the Offer, the Antitrust Division or the FTC could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the purchase of Shares pursuant to the Offer or the Merger or seeking the divestiture of Shares acquired by Purchaser or the divestiture of substantial assets of Purchaser or its Subsidiaries, or of the Company or its Subsidiaries. Private parties may also bring legal action under the antitrust laws under certain circumstances. If any such action by the FTC, the Antitrust Division or any other person should be threatened or commenced, Purchaser believes that consummation of the Offer would not violate any antitrust laws; there can be no assurance, however, that a challenge to the Offer on antitrust grounds will not be made or, if a challenge is made, what the result will be.

Although the parties to the Merger Agreement are required to cooperate and use their commercially reasonable efforts to defend vigorously against any action, suit proceeding or investigation relating to the Merger Agreement, Parent, Purchaser and their Subsidiaries or affiliates are not obligated to agree to limit their ownership rights of the Shares or to hold separate or divest any of the businesses, assets or properties of the Company or limit in material manner their or the Company's or its Subsidiaries' ability to conduct their respective businesses or own such assets or properties or the assets or businesses of the Company and its Subsidiaries or to control their respective businesses or operations or those of the Company and its Subsidiaries.

State Take-over Laws.

A number of states have adopted laws and regulations applicable to offers to acquire securities of corporations which are incorporated in such states and/or which have substantial assets, shareholders, principal executive offices or principal places of business therein. In Edgar v. Mite Corporation, the Supreme Court of the United States held that the Illinois Business Takeover Statute, which made the takeover of certain corporations more difficult, imposed a substantial burden on interstate commerce and was therefore unconstitutional. In CTS Corporation v. Dynamics Corporation of America, the Supreme Court held that as a matter of corporate law, and in particular, those laws concerning corporate governance, a state may constitutionally disqualify a potential acquirer from voting on the affairs of a target corporation without prior approval of the remaining shareholders, provided that such laws were applicable only under certain conditions, in particular, that the corporation has a substantial number of shareholders in the state and is incorporated there.

A number of takeover provisions of the WBCL apply only to "resident domestic corporations". A resident domestic corporation is defined as a Wisconsin corporation that as of a relevant date satisfies any of the following four tests:

1. Its principal offices are located in the State of Wisconsin.

2. It has significant business operations located in the State of Wisconsin.

3. More than 10 percent of the holders of record of its shares are residents of the State of Wisconsin.

4. More than 10 percent of its shares are held of record by residents of the State of Wisconsin.

For purposes of determining each of item 3 and 4, the relevant date is the most recent record date of the corporation before the date the person becomes an "interested stockholder" (as defined in the WBCL). The Company does not have its principal offices in the State of Wisconsin and does not have significant business operations located in the State of Wisconsin. However, the Company has advised Purchaser that as of the relevant record date, the first percentage of residence test was met. As a result, the provisions of the WBCL described below purport to apply to the Offer and the Merger.

Sections 180.1140 to 180.1144 of the WBCL (the "Wisconsin Business Combination Statute") regulate a broad range of "business combinations" between a "resident domestic corporation" and an "interested stockholder". The Wisconsin Business Combination Statute defines a "business combination" to include a merger or share exchange with an interested stockholder or a corporation which is, or after such merger or share exchange would be, an affiliate or associate of an interested stockholder, or the sale, lease, exchange, mortgage, pledge, transfer or other disposition of assets equal to at least 5 percent of the aggregate market value of the stock or assets of the company or 10 percent of its earning power, or issuance of stock or rights to purchase stock with a market value equal to at least 5 percent of the aggregate market value of all of the outstanding stock, adoption of a plan of liquidation and certain other transactions, all involving an interested stockholder or an affiliate or associate of an interested stockholder. An "interested stockholder" is defined as a person who beneficially owns 10 percent of the voting power of the outstanding voting stock of a corporation or who is an affiliate or associate of the corporation and beneficially owned 10 percent of the voting power of the then outstanding voting stock of a corporation within the last three years. The Wisconsin Business Combination Statute prohibits a corporation from engaging in a business combination (other than a business combination of a type specifically excluded from the coverage of the statute) with an interested stockholder for a period of three years following the date such person becomes an interested stockholder, unless the board of directors of the corporation approved the business combination or the acquisition of stock that resulted in a person becoming an interested stockholder before such acquisition. Business combinations after the three-year period following the stock acquisition date are permitted only if (i) the board of directors approved the acquisition of the stock prior to the date on which the interested stockholder became such; (ii) the business combination is approved by a majority of the outstanding voting stock not beneficially owned by the interested stockholder; (iii) the consideration to be received by shareholders meets certain requirements of the statute with respect to form and amount; or (iv) the business combination is of a type excluded from the Wisconsin Business Combination Statute. The Wisconsin Business Combination Statute's prohibition on business combinations applies for three years after the acquisition of at least 10 percent of the outstanding shares without regard to the percentage of shares owned by the interested stockholder and cannot be avoided by subsequent action of the board of directors or shareholders. The Company's Board of Directors approved Purchaser's acquisitions of Shares in the Offer and pursuant to the Shareholder Option Agreement in connection with entering into the Merger Agreement and, therefore, the Wisconsin Business Combination Statute will not apply to the Merger.

Sections 180.1130 to 180.1132 of the WBCL provide that "business combinations" involving a resident domestic corporation and a "significant shareholder" or an affiliate of a significant shareholder are subject to a supermajority vote of shareholders (the "Wisconsin Fair Price Statute"), in addition to any approval otherwise required. The Wisconsin Fair Price Statute defines a "business combination" to include a merger or share exchange (except for certain mergers or share exchanges, including a subsidiary merger without shareholder approval pursuant to Section 180.1104 of the WBCL) with a significant shareholder or a corporation which is, or after such merger or share exchange would be, an affiliate or associate of a significant shareholder or the sale, lease, exchange or other disposition involving all or substantially all of the property and assets of a corporation to a significant shareholder or an affiliate of a significant shareholder. A "significant shareholder" is defined as a person who beneficially owns 10 percent or more of the voting power of the outstanding voting shares of a corporation or an affiliate of the corporation which beneficially owned 10 percent or more of the power of the outstanding voting shares of the corporation within the last two years. Business combinations subject to the Wisconsin Fair Price Statute must be approved by 80 percent of the voting power of the corporation's stock and at least two-thirds of the voting power of the corporation's stock not beneficially owned by the significant shareholder who is party to the business combination or an affiliate or associate of a significant shareholder who is a party to the business combination, in each case, voting together as a single group. The supermajority voting provisions do not apply if the following fair price standards have been met: (i) the aggregate value of the per share consideration to be received by shareholders in the business combination is equal to the highest of (A) the highest price paid for any common shares of the corporation by the significant shareholder in the transaction in which it became a significant shareholder or within two years before the date of the business combination, whichever is higher; (B) the market value of the corporation's shares on the date of commencement of any tender offer initiated by the significant shareholder, the date on which the person became a significant shareholder or

the date of the first public announcement of the proposed business combination, whichever is higher or (C) the highest preferential liquidation or dissolution distribution to which holders of the shares would be entitled; and (ii) either cash, or the form of consideration used by the significant shareholder to acquire the largest number of shares previously acquired by it, is offered. The amount to be paid for each Share in the Merger satisfies each of the conditions of the Wisconsin Fair Price Statute. Accordingly, the restrictions contained in such statute are not applicable to the Merger.

Under Section 180.1150 of the WBCL (the "Wisconsin Control Share Statute"), unless the articles of incorporation otherwise provide, the voting power of shares, including shares issuable upon conversion of convertible securities or exercise of options or warrants, of a resident domestic corporation held by any person or persons acting as a group in excess of 20 percent of the voting power in the election of directors is limited to 10 percent of the full voting power of those shares. The effect of the Wisconsin Control Share Statute is to require any person seeking to acquire a majority of the voting power of such corporation to own at least 75 percent of the issued and outstanding shares of such corporation. This restriction does not apply to shares acquired directly from the resident domestic corporation, shares acquired in certain specified transactions, or shares which have had their full voting power restored by the vote of a majority of the corporation.

Chapter 552 of the Wisconsin Statutes (the "Wisconsin Corporate Take-Over Law") regulates a broad range of "take-over offers", making it unlawful to make a take-over offer involving a "target company" in Wisconsin or to acquire any equity securities of such target company pursuant to the take-over offer unless a registration statement has been filed with the Wisconsin division of securities 10 days prior to the commencement of the takeover offer, or such takeover offer is exempted. A "target company" as defined in the Wisconsin Corporate Take-Over Law means a corporation (a) which is organized under the laws of Wisconsin or which has its principal office in Wisconsin, (b) that has substantial assets located in Wisconsin, (c) whose equity securities are registered under Section 12 of the Exchange Act, and (d) which either has (i) at least 100 record holders who are residents of Wisconsin or (ii) at least 5 percent of the corporation's securities are held by residents of Wisconsin. The Company has represented to Purchaser that it does not have substantial assets located in Wisconsin. Accordingly the Wisconsin Corporate Take-Over Law will not apply to the Offer and Merger.

The Wisconsin Administrative Code Section DFI-Section 6.05 (the "Wisconsin Going Private Rule") provides that an issuer, or any affiliated person of an issuer, is deemed to employ a "device, scheme or artifice" to defraud holders of securities, or to engage in an "act, practice or course of business which operates or would operate as a fraud or deceit" of the holders within the meaning of Section 551.41 of the Wisconsin Statutes, if the issuer or affiliated person enters into any transaction involving a purchase of any equity securities of the issuer, other than an arm's length purchase by a person not affiliated with the issuer, which transaction has, or may have, the effect of (i) causing a class of equity securities of the issuer to be subject to delisting from a national securities exchange registered under the Exchange Act or cease to be authorized to be quoted on Nasdaq or (ii) causing a class of equity securities of the issuer to be eligible for termination of registration, or suspension of reporting requirements under the Exchange Act. The Wisconsin Going Private Rule applies to any issuer whose equity securities of any class are registered under Section 12 of the Exchange Act, and which has 100 or more record holders of the securities in the State of Wisconsin (which number constitutes 20 percent or more of the total number of record holders of the securities) on the date of the initial offer, notice or solicitation relating to the proposed transaction. Based on previous no-action letters issued by the Securities Division of the Wisconsin Department of Financial Institutions and recent discussions between Purchaser's counsel and representatives of the Division, Purchaser has concluded that the Wisconsin Going Private Rule does not apply to the Offer or the Merger.

16. Fees and Expenses

Purchaser has retained Citibank, N.A. as Depository and Georgeson Shareholder Communications, Inc. as Information Agent. Citibank, N.A. and Georgeson will receive customary compensation and reimbursement for reasonable out-of-pocket expenses, as well as indemnification against certain liabilities in connection with the Offer, including liabilities under applicable securities laws.

Except as set forth above, Purchaser will not pay any fees or commissions to any broker or dealer or other person for soliciting tenders of Shares pursuant to the Offer. Brokers, dealers, commercial banks and trust companies will upon request be reimbursed by Purchaser for customary mailing and handling expenses incurred by them in forwarding the offering material to their customers.

17. Miscellaneous

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. However, Purchaser may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and extend the Offer to holders of Shares in such jurisdiction.

Neither Purchaser nor Parent is aware of any jurisdiction in which the making of the Offer or the acceptance of Shares in connection therewith would not be in compliance with the laws of such jurisdiction.

Purchaser and Parent have filed with the SEC a Statement on Schedule 14D-1 (including exhibits) pursuant to Rule 14d-3 of the General Rules and Regulations under the Exchange Act, furnishing certain additional information with respect to the Offer and may file amendments thereto. Such Statement and any amendments thereto, including exhibits, may be examined and copies may be obtained from the principal office of the SEC in Washington, D.C. in the manner set forth in Section 8.

No person has been authorized to give any information or make any representation on behalf of Parent or Purchaser not contained in this Offer to Purchase or in the Letter of Transmittal and, if given or made, such information or representation must not be relied upon as having been authorized.

SPHERE CORPORATION

SCHEDULE A

DIRECTORS AND EXECUTIVE OFFICERS OF
PARENT AND PURCHASER

Parent. Set forth below are the name, business address and present principal occupation or employment, and material occupations, positions, offices or employment for the past five years of each director and executive officer of Parent. The business address of each such person is One Financial Plaza, Hartford, CT 06101. Unless otherwise indicated, each such person is a citizen of the United States and has held his or her present position as set forth below for the past five years. Directors of Parent are indicated by an asterisk.

Name, Citizenship and Current Business Address	Age	Present Principal Occupation or Employment; Material Positions Held During the Past Five Years
Dean C. Borgman.....	58	President, Sikorsky Aircraft Corp.; previously Senior Vice President, The Boeing Company (helicopter unit); former President, McDonnell Douglas' helicopter business
Ari Bousbib..... Citizenship: French/Portuguese	38	Vice President, Strategic Planning of Parent since 1997; previously Managing Director, the Strategic Partners Group; Partner, Booz, Allen & Hamilton
William L. Bucknall, Jr.....	56	Senior Vice President, Human Resources & Organization, of Parent since 1992
John F. Cassidy, Jr	55	Senior Vice President, Science and Technology, of Parent since 1998; previously Vice President, United Technologies Research Center
Antonia Handler Chayes*.....	70	Director of Parent since 1981; Senior Advisor and Board Member of Conflict Management Group (CMG); Senior Consultant to JAMS/ENDISPUTE; Adjunct Lecturer at the Kennedy School of Government and Co-Director of the Project on International Compliance and Dispute Settlement at the Program on Negotiation at Harvard Law School; member of the American Law Institute and the Council on Foreign Relations
Louise Chenevert.....	42	President, Pratt & Whitney since 1999; Executive Vice President, Pratt & Whitney for operations, worldwide purchasing, and aftermarket business from June 1998-1999; Executive Vice President for operations of Pratt & Whitney from January 1997-1998; joined Pratt & Whitney Canada in 1993
Kevin Conway.....	51	Vice President, Taxes, of Parent since 1995; previously Director of Taxes, United Technologies Corporation
George David*.....	57	Director of Parent since 1992; Chairman of Parent since 1997; Chief Executive Officer of Parent since 1994; President of Parent from 1992 to 1999; member of The Business Roundtable; Chairman and President of the Boards of the Graduate School of Business Administration at the University of Virginia, the National Minority Supplier Development Council and the U.S.--ASEAN Business Council

Name, Citizenship and Current Business Address	Age	Present Principal Occupation or Employment; Material Positions Held During the Past Five Years
David J. Fitzpatrick....	45	Senior Vice President and Chief Financial Officer of Parent since 1998; previously Vice President and Controller, Eastman Kodak Co.; Finance Director, Cadillac Luxury Car Division, Chief Accounting Officer, General Motors Corp.
Jean-Pierre Garnier, Ph.D.*.....	51	Director of Parent since 1997; Chief Operating Officer and Executive Member of the Board of Directors of SmithKline Beecham plc, Philadelphia, PA (pharmaceuticals) since 1995; Chairman, SmithKline Beecham plc, Pharmaceuticals from 1994-1995; Director of the Eisenhower Exchange Fellowship
Jay L. Haberland.....	48	Vice President-Controller of Parent since 1996; previously Acting Chief Financial Officer, Director of Internal Auditing of Parent; Vice President, Finance, Commercial & Industrial Group, The Black & Decker Corporation
Ruth R. Harkin.....	55	Senior Vice President, International Affairs and Government Relations of Parent since 1997; previously President and Chief Executive Officer, Overseas Private Investment Corporation
Karl J. Krapek*.....	50	Director of Parent since 1997; President and Chief Operating Officer of Parent since 1999. Previously Executive Vice President of Parent; President, Pratt & Whitney; Chairman of the Board of Directors of the Connecticut Capitol Region Growth Council; Chairman of the MetroHartford Millennium Management Group; Vice Chairman of the Board of Trustees of the Connecticut State University System; member of the Director's Advisory Board of the Yale Cancer Center; Director of Saint Francis Care, Inc. and will serve as 1999 General Campaign Chairman for the United Way and Combined Health Appeal Community Campaign in Hartford area
Charles R. Lee*.....	59	Director of Parent since 1994; Chairman and Chief Executive Officer of GTE Corporation, Irving, Texas (telecommunications); Director of The Procter & Gamble Company; Director of the USX Corporation; member of The Business Roundtable and The Business Council; Trustee of the Board of Trustees of Cornell University; Director of the New American Schools Development Corporation; member of The Conference Board; Harvard Business School's Board of Directors of the Associates; Director of the Stamford Hospital Foundation
John R. Lord.....	55	President, Carrier Corporation since 1995; previously President, Carrier NAO
Richard D. McCormick*...	59	Director of Parent since February, 1999; Chairman U S WEST, Inc., Denver, Colorado (telecommunications). Previously Chairman, President and Chief Executive Officer of former parent company, also known as U S WEST, Inc.; Director of United Airlines; Director of Wells Fargo and Company; Director of Concept Five Technologies; Chairman of the United States Council for International Business; Vice President of the International Chamber of Commerce; Chairman of Creighton University; member of the Business Council; Trustee of the Denver Art Museum; Board Member of the American Indian College Fund

Name, Citizenship and Current Business Address	Age	Present Principal Occupation or Employment; Material Positions Held During the Past Five Years
Ronald F. McKenna.....	59	President, Hamilton Sundstrand since June 21, 1999; Executive Vice President and Chief Operating Officer of Hamilton Sundstrand, Aerospace, May 6, 1996 to June 21, 1996; Vice President of Business Development, Sunstrand Aerospace, January, 1995 to May, 1996; Vice President and General Manager of Sunstrand Aerospace Electric Power, December, 1989 to January, 1995
Angelo J. Messina.....	46	Vice President, Financial Planning and Analysis of Parent since 1998; previously Director, Financial Planning and Analysis, of Parent; Vice President, Strategic Planning, Pratt & Whitney; Director, Investor Relations, of Parent
Stephen F. Page.....	59	Executive Vice President of Parent and President and Chief Executive Officer, Otis Elevator since 1997; previously Executive Vice President and Chief Financial Officer of Parent
William J. Perry*.....	72	Director of Parent since 1997; Michael and Barbara Berberian Professor at Stanford University, with a joint appointment in the Department of Engineering-Economic Systems & Operations Research and the Institute for International Studies; Fellow at the Hoover Institute; co-director of the Stanford-Harvard Preventive Defense Project; previously Secretary of Defense for the United States; Chairman of Global Technology Partners; Director of Hambrecht & Quist, LLC; The Boeing Company; and Cylink Corporation
Frank P. Popoff*.....	63	Director of Parent since 1996; Chairman, The Dow Chemical Company, Midland, Michigan; Director of American Express Company; U S West, Inc.; Chemical Financial Corporation; and Michigan Molecular Institute; member of the Business Council for Sustainable Development; The Business Council; the Council for Competitiveness; the American Chemical Society; and director emeritus of the Indiana University Foundation
Gilles A.H. Renaud.....	53	Vice President-Treasurer of Parent since 1996; previously Vice President and Chief Financial Officer, Carrier Corporation
William H. Trachsel.....	56	Senior Vice President, General Counsel and Secretary of Parent since 1998; previously Vice President, Secretary and Deputy General Counsel of Parent
Andre Villeneuve*.....	54	Director of Parent since 1997; Executive Director of Reuters Holdings PLC, London, England; member of Reuters' Board of Directors; Chairman of Instinet Corp., Reuters' electronic brokerage subsidiary; Director of CGU plc
Harold Wagner*.....	63	Director of Parent since 1994; Chairman and Chief Executive Officer, Air Products and Chemicals, Inc., Allentown, Pennsylvania; previously Chairman, President and Chief Executive Officer, Air Products and Chemicals, Inc.; Director of CIGNA Corporation; Daido-Hoxan; Member of The Business Council; the Policy Committee of The Business Roundtable; Member of the Pennsylvania Business Roundtable; has served on the Board of Trustees of Lehigh University

Purchaser. Set forth below are the name, business address and present principal occupation or employment, and material occupations, positions, offices or employment for the past five years of the directors and executive officers of Purchaser. Except as otherwise noted, the business address of such person is One Financial Plaza, Hartford, CT 06101. Unless otherwise indicated, such person is a citizen of the United States.

Name, Citizenship and Current Business Address	Age	Present Principal Occupation or Employment; Material Positions Held During the Past Five Years
Ari Bousbib..... Citizenship: French/Portuguese	38	Director of Purchaser since October 1999; President of Purchaser since October 1999; Vice President, Strategic Planning of Parent since 1997; previously Managing Director, the Strategic Partners Group; Partner, Booz, Allen & Hamilton
Lawrence V. Mowell.....	51	Director of Purchaser since October, 1999; Associate General Counsel of Parent since 1998; Vice President and General Counsel, UT Finance 1992-1998

Facsimile copies of the Letter of Transmittal will be accepted. The Letter of Transmittal, certificates for the Shares and any other required documents should be sent by each shareholder of the Company or such Shareholder's broker-dealer, commercial bank, trust company or other nominee to the Depositary as follows:

The Depositary For The Offer Is:

Citibank, N.A.

By Mail:	By Hand:	By Courier:
Citibank, N.A. P.O. Box 685 Old Chelsea Station New York, NY 10113	Citibank, N.A. Corporate Trust Window 111 Wall Street, 5th Floor New York, NY 10043	915 Broadway, 5th Floor New York, NY 10010

By Facsimile Transmission:
(for Eligible Institutions only)
(212) 505-2248

Confirm Facsimile Transmission
By Telephone Only
(800) 270-0808

Any questions or requests for assistance or additional copies of the Offer to Purchase and the Letter of Transmittal may be directed to the Information Agent at its telephone number and location listed below. You may also contact your broker, dealer, commercial bank or trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

Georgeson Shareholder Communications, Inc.

17 State Street
10th Floor
New York, New York 10004

Banks and brokers call collect: (212) 440-9800
All others call toll free: (888) 223-2064

EXHIBIT (a)(2)

Letter of Transmittal
To Tender Shares of Common Stock
(Including the Associated Rights to Purchase Common Stock)
of
Cade Industries, Inc.
at
$5.05 Net Per Share
by
Sphere Corporation
a wholly owned subsidiary of
United Technologies Corporation

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, NOVEMBER 19, 1999, UNLESS THE OFFER IS EXTENDED.

The Depositary for the Offer is:

Citibank, N.A.

By Mail:	By Hand:	By Courier:
Citibank, N.A. P.O. Box 685 Old Chelsea Station New York, NY 10113	Citibank, N.A. Corporate Trust Window 111 Wall Street, 5th Floor New York, NY 10043	Citibank, N.A. 915 Broadway, 5th Floor New York, NY 10010

Facsimile for Eligible Institutions:
(212) 505-2248

To Confirm Facsimile Transmission:
by Telephone:
(800) 270-0808

DESCRIPTION OF SHARES TENDERED

Name(s) and address(es) of Registered Owner(s) (Please fill in, if blank, Exactly as Name(s) Appear(s) on Certificate(s))	Shares Tendered (Attach Additional List if Necessary)		
	Certificate Number(s)(*)	Total Number of Shares Represented By Certificate(s)(*)	Number of Shares Tendered(**)
	Total shares		

(*) Need not be completed by Book-Entry Shareholders.
(**) Unless otherwise indicated, it will be assumed that all Shares described above are being tendered. See Instruction 4.

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS VIA A FACSIMILE TRANSMISSION TO A NUMBER OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE COMPLETING THIS LETTER OF TRANSMITTAL.

This Letter of Transmittal is to be used either if certificates for Shares (as defined below) are to be forwarded herewith or, unless an Agent's Message (as defined in Section 3 of the Offer to Purchase (as defined below)) is utilized, if delivery of Shares is to be made by book-entry transfer to an account maintained by the Depositary (as defined in the Introduction to the Offer to Purchase) at the Book-Entry Transfer Facility (as defined in Section 2 of the Offer to Purchase) pursuant to the procedures set forth in Section 3 of the Offer to Purchase. Shareholders who deliver Shares by book-entry transfer are referred to herein as "Book-Entry Shareholders" and other shareholders are referred to herein as "Certificate Shareholders." Shareholders whose certificates for Shares are not immediately available or who cannot comply with the procedure for book-entry transfer on a timely basis, or who cannot deliver all required documents to the Depositary prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase), may tender their Shares in accordance with the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. See Instruction 2. Delivery of documents to the Book-Entry Transfer Facility in accordance with the Book-Entry Transfer Facility's procedures does not constitute delivery to the Depositary.

[_] CHECK HERE IF TENDERED SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE DEPOSITARY WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY FINANCIAL INSTITUTIONS THAT ARE PARTICIPANTS IN THE BOOK-ENTRY TRANSFER FACILITY MAY DELIVER SHARES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

[_] CHECK HERE IF TENDERED SHARES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING:

Name(s) of Registered Owner(s) _____

Date of Execution of Notice of Guaranteed Delivery _____

Name of Institution which Guaranteed Delivery _____

Account Number _____

Transaction Code Number _____

NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

The undersigned hereby tenders to Sphere Corporation, a Wisconsin corporation ("Purchaser") and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation ("Parent"), the above-described shares of common stock, par value $.001 per share (the "Common Stock"), including the associated rights to purchase Common Stock (the "Rights" and, together with the Common Stock, the "Shares"), of Cade Industries, Inc., a Wisconsin corporation (the "Company"), pursuant to the Offer to Purchase, dated October 21, 1999 (the "Offer To Purchase"), at a price of $5.05 per Share, net to the seller in cash, on the terms and subject to the conditions set forth in the Offer to Purchase, receipt of which is hereby acknowledged, and this Letter of Transmittal (which, together with the Offer to Purchase, constitute the "Offer"). The undersigned understands that Purchaser reserves the right to transfer or assign, from time to time, in whole or in part, to one or more of its affiliates, the right to purchase the Shares tendered herewith.

On the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), subject to, and effective upon, acceptance for payment of, and payment for, the Shares tendered herewith in accordance with the terms of the Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, Purchaser, all right, title and interest in and to all of the Shares being tendered hereby and any and all cash dividends, distributions, rights, other Shares or other securities issued or issuable in respect of such Shares on or after October 21, 1999 (collectively, "Distributions"), and appoints Citibank, N.A. (the "Depositary") the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares (and any Distributions) with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to the fullest extent of such shareholder's rights with respect to such Shares (and any Distributions) (a) to deliver such Share Certificates (as defined below) (and any Distributions) or transfer ownership of such Shares (and any Distributions) on the account books maintained by the Book-Entry Transfer Facility, together, in either such case, with all accompanying evidence of transfer and authenticity, to or upon the order of Purchaser, (b) to present such Shares (and any Distributions) for transfer on the books of the Company and (c) to receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares (and any Distributions), all in accordance with the terms and the conditions of the Offer.

The undersigned hereby irrevocably appoints the designees of Purchaser, and each of them, the attorneys-in-fact and proxies of the undersigned, each with full power of substitution, to the full extent of such shareholder's rights with respect to the Shares tendered hereby which have been accepted for payment and with respect to any Distributions. The designees of Purchaser will, with respect to the Shares (and any associated Distributions) for which the appointment is effective, be empowered to exercise all voting and any other rights of such shareholder, as they, in their sole discretion, may deem proper at any annual, special or adjourned meeting of the Company's shareholders, by written consent in lieu of any such meeting or otherwise. This proxy and power of attorney shall be irrevocable and coupled with an interest in the tendered Shares. Such appointment is effective when, and only to the extent that, Purchaser deposits the payment for such Shares with the Depositary. Upon the effectiveness of such appointment, without further action, all prior powers of attorney, proxies and consents given by the undersigned with respect to such Shares (and any associated Distributions) will be revoked and no subsequent powers of attorney, proxies, consents or revocations may be given (and, if given, will not be deemed effective). Purchaser reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon Purchaser's acceptance for payment of such Shares, Purchaser must be able to exercise full voting rights, to the extent permitted under applicable law, with respect to such Shares (and any associated Distributions), including voting at any meeting of shareholders.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Shares (and any Distributions) tendered hereby and, when the same are accepted for payment by Purchaser, Purchaser will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and the same will not be subject to any adverse claim. The undersigned will, upon request, execute and deliver any additional documents deemed by the

Depositary or Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Shares (and any Distributions) tendered hereby. In addition, the undersigned shall promptly remit and transfer to the Depositary for the account of Purchaser any and all Distributions in respect of the Shares tendered hereby, accompanied by appropriate documentation of transfer and, pending such remittance or appropriate assurance thereof, Purchaser shall be entitled to all rights and privileges as owner of any such Distributions and may withhold the entire purchase price or deduct from the purchase price the amount or value thereof, as determined by Purchaser in its sole discretion.

All authority conferred or agreed to be conferred pursuant to this Letter of Transmittal shall not be affected by, and shall survive, the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer to Purchase, this tender is irrevocable.

The undersigned understands that the valid tender of Shares pursuant to one of the procedures described in Section 3 of the Offer to Purchase will constitute a binding agreement between the undersigned and Purchaser upon the terms and subject to the conditions of the Offer.

Unless otherwise indicated herein under "Special Payment Instructions", please issue the check for the purchase price and/or return any certificates for Shares not tendered or accepted for payment in the name(s) of the registered owner(s) appearing under "Description of Shares Tendered." Similarly, unless otherwise indicated under "Special Delivery Instructions," please mail the check for the purchase price and/or return any certificates for Shares not tendered or accepted for payment (and accompanying documents, as appropriate) to the address(es) of the registered owner(s) appearing under "Description of Shares Tendered". In the event that both the Special Delivery Instructions and the Special Payment Instructions are completed, please issue the check for the purchase price and/or issue any certificates for Shares not tendered or accepted for payment (and any accompanying documents, as appropriate) in the name of, and deliver such check and/or return such certificates (and any accompanying documents, as appropriate) to, the person or persons so indicated. The undersigned recognizes that Purchaser has no obligation pursuant to the Special Payment Instructions to transfer any Shares from the name of the registered owner thereof if Purchaser does not accept for payment any of the Shares so tendered.

SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 1, 5, 6 And 7)

To be completed ONLY if certificate(s) for Shares not tendered or not accepted for payment and/or the check for the purchase price of Shares accepted for payment are to be issued in the name of someone other than the undersigned.

Issue: [_] Check and/or [_] Certificates to:

Name: _____
(Please Print)

Address: _____

_____
(Include Zip Code)

_____
(Tax Identification or Social Security Number)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 1, 5 And 7)

To be completed ONLY if certificate(s) for Shares not tendered or not accepted for payment and/or the check for the purchase price of Shares accepted for payment are to be sent to someone other than the undersigned or to the undersigned at an address other than that shown above.

Deliver: [_] Check and/or
[_] Certificates to:

Name: _____
(Please Print)

Address: _____

_____
(Include Zip Code)

_____
(Tax Identification or Social Security Number)

IMPORTANT -- SIGN HERE
(Please Complete Substitute Form W-9 Below)

(Signature(s) of Holder(s))

Dated: _____, 1999

(Must be signed by registered owner(s) exactly as name(s) appear(s) on stock certificate(s) or on a security position listing or by person(s) authorized to become registered owner(s) by certificates and documents transmitted herewith. If signature is by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, please set forth full title and see Instruction 5.)

Name(s):_____
(Please Print)

Capacity (full title): _____

Address:_____

_____
(Include Zip Code)

Area Code and Telephone Number: _____

Tax Identification or
Social Security No.: _____

GUARANTEE OF SIGNATURE(S) (See Instructions 1 and 5)

Authorized Signature: _____

Name: _____
(Please Type or Print)

Address: _____

_____
(Include Zip Code)

Name of Firm: _____

Dated: _____, 1999

INSTRUCTIONS

Forming Part of The Terms and Conditions of the Offer

1. Guarantee of Signatures. Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a participant in the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Guarantee Program or the Stock Exchange Medallion Program (each, an "Eligible Institution"). Signatures on this Letter of Transmittal need not be guaranteed (a) if this Letter of Transmittal is signed by the registered owner(s) (which term, for purposes of this document, includes any participant in any of the Book-Entry Transfer Facility's systems whose name appears on a security position listing as the owner of the Shares) of Shares tendered herewith and such registered owner has not completed the box titled "Special Payment Instructions" or the box titled "Special Delivery Instructions" on this Letter of Transmittal or (b) if such Shares are tendered for the account of an Eligible Institution. See Instruction 5.

2. Delivery of Letter of Transmittal and Certificates or Book-Entry Confirmations. This Letter of Transmittal is to be used either if certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if tenders are to be made pursuant to the procedures for tender by book-entry transfer set forth in Section 3 of the Offer to Purchase. Certificates for all physically tendered Shares ("Share Certificates"), or confirmation of any book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility of Shares tendered by book-entry transfer ("Book Entry Confirmation"), as well as this Letter of Transmittal properly completed and duly executed with any required signature guarantees, unless an Agent's Message in the case of a book-entry transfer is utilized, and any other documents required by this Letter of Transmittal, must be received by the Depositary at one of its addresses set forth herein on or prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase).

Shareholders whose certificates for Shares are not immediately available or who cannot deliver all other required documents to the Depositary on or prior to the Expiration Date or who cannot comply with the procedures for book-entry transfer on a timely basis, may nevertheless tender their Shares by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. Pursuant to such procedure: (a) such tender must be made by or through an Eligible Institution; (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by Purchaser must be received by the Depositary prior to the Expiration Date; and (c) Share Certificates for all tendered Shares, in proper form for transfer (or a Book Entry Confirmation with respect to such Shares), as well as a Letter of Transmittal (or facsimile thereof), properly completed and duly executed with any required signature guarantees (unless, in the case of a book-entry transfer, an Agent's Message is utilized), and all other documents required by this Letter of Transmittal, must be received by the Depositary within three New York Stock Exchange Inc. trading days after the date of execution of such Notice of Guaranteed Delivery.

A properly completed and duly executed Letter of Transmittal (or facsimile thereof) must accompany each such delivery of Share Certificates to the Depositary.

THE METHOD OF DELIVERY OF SHARE CERTIFICATES AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY TRANSFER FACILITY, IS AT THE ELECTION AND RISK OF THE TENDERING SHAREHOLDER. DELIVERY OF ALL SUCH DOCUMENTS WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF A BOOK-ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF SUCH DELIVERY IS BY MAIL, IT IS RECOMMENDED THAT ALL SUCH DOCUMENTS BE SENT BY PROPERLY INSURED REGISTERED MAIL WITH RETURN RECEIPT REQUESTED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares will be purchased. All tendering shareholders, by execution of this Letter of Transmittal (or facsimile thereof), waive any right to receive any notice of the acceptance of their Shares for payment.

3. Inadequate Space. If the space provided herein is inadequate, the certificate numbers and/or the number of Shares should be listed on a separate schedule attached hereto and separately signed on each page thereof in the same manner as this Letter of Transmittal is signed.

4. Partial Tenders (Applicable to Certificate Shareholders Only). If fewer than all the Shares evidenced by any certificate submitted are to be tendered, fill in the number of Shares which are to be tendered in the box titled "Number of Shares Tendered". In such cases, new certificate(s) for the remainder of the Shares that were evidenced by the old certificate(s) but not tendered will be sent to the registered owner, unless otherwise provided in the appropriate box on this Letter of Transmittal, as soon as practicable after the Expiration Date. All Shares represented by certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. Signatures On Letter Of Transmittal; Stock Powers And Endorsements. If this Letter of Transmittal is signed by the registered owner(s) of the Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any other change whatsoever.

If any of the Shares tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If any of the tendered Shares are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal (or facsimiles thereof) as there are different registrations of certificates.

If this Letter of Transmittal or any certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to Purchaser of their authority so to act must be submitted.

If this Letter of Transmittal is signed by the registered owner(s) of the Shares listed and transmitted hereby, no endorsements of certificates or separate stock powers are required unless payment is to be made to, or certificates for Shares not tendered or accepted for payment are to be issued in the name of, a person other than the registered owner(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the certificate(s) listed, the certificate(s) must be endorsed or accompanied by the appropriate stock powers, in either case, signed exactly as the name or names of the registered owner(s) or holder(s) appear(s) on the certificate(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

6. Stock Transfer Taxes. Purchaser will pay any stock transfer taxes with respect to the transfer and sale of Shares to it or to its order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or (in the circumstances permitted hereby) if certificates for Shares not tendered or accepted for payment are to be registered in the name of, any person other than the registered owner(s), or if tendered certificates are registered in the name of any person other than the person signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered owner(s) or such person) payable on account of the transfer to such person will be deducted from the purchase price if satisfactory evidence of the payment of such taxes, or exemption therefrom, is not submitted.

Except as provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the Share Certificates listed in this Letter of Transmittal.

7. Special Payment and Delivery Instructions. If a check is to be issued in the name of, and/or certificates for Shares not tendered or accepted for payment are to be issued or returned to, a person other than the signer(s) of this Letter of Transmittal or if a check and/or such certificates are to be mailed to a person other than the signer(s) of this Letter of Transmittal or to an address other than that shown above, the appropriate boxes on this Letter of Transmittal should be completed.

8. Requests for Assistance or Additional Copies. Questions or requests for assistance may be directed to the Information Agent at its address set forth below or from your broker, dealer, commercial bank or trust company. Additional copies of the Offer to Purchase, this Letter of Transmittal, the Notice of Guaranteed Delivery and other tender offer materials may be obtained from the Information Agent as set forth below, and will be furnished at Purchaser's expense.

9. Substitute Form W-9. Each tendering shareholder is required to provide the Depositary with a correct Taxpayer Identification Number ("TIN"), generally the shareholder's social security or federal employer identification number, on Substitute Form W-9 below. Failure to provide the information on the form may subject the tendering shareholder to 31 percent federal income tax backup withholding on the payment of the purchase price. The tendering shareholder may write "Applied For" in Part I of the Form if the tendering shareholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the Shareholder has written "Applied for" in Part I of the Form, the shareholder must also complete the Certificate of Awaiting Taxpayer Identification Number. Notwithstanding that "Applied For" is written in Part I of the Substitute Form W-9 and that the shareholder has completed the Certificate of Awaiting Taxpayer Identification Number, the Depositary will withhold 31 percent of all payments of the purchase price thereafter until a TIN is provided to the Depositary. See Important Tax Information below.

10. Lost, Destroyed, Mutilated or Stolen Certificates. If any certificate(s) representing Shares has been lost, destroyed, mutilated or stolen, the shareholder should promptly notify the Company's stock transfer agent, Firstar Bank Milwaukee, N.A. (formerly named Firstar Trust Company) at Corporate Trust Services, 1555 North River Center Drive, Suite 301, Milwaukee, Wisconsin 53212, Att: Rick Mitchell, Telephone 414-905-5007, Fax 414-276-4226. The shareholder will then be instructed as to the steps that must be taken in order to replace the certificate(s). This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost, mutilated or destroyed certificates have been followed.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A FACSIMILE COPY THEREOF) OR AN AGENT'S MESSAGE, TOGETHER WITH SHARE CERTIFICATES OR BOOK-ENTRY CONFIRMATION OR A PROPERLY COMPLETED AND DULY EXECUTED NOTICE OF GUARANTEED DELIVERY AND ALL OTHER REQUIRED DOCUMENTS MUST BE RECEIVED BY THE DEPOSITARY ON OR PRIOR TO THE EXPIRATION DATE.

IMPORTANT TAX INFORMATION

Under the federal income tax law, a shareholder whose tendered Shares are accepted for purchase is required by law to provide the Depositary with such shareholder's correct TIN on Substitute Form W-9 below and to certify that such TIN is correct (or that such shareholder is awaiting a TIN) or otherwise establish a basis for exemption from backup withholding. If such shareholder is an individual, the TIN is his or her social security number. If a shareholder fails to provide a correct TIN to the Depositary, such shareholder may be subject to a $50.00 penalty imposed by the Internal Revenue Service. In addition, payments that are made to such shareholder with respect to Shares purchased pursuant to the Offer may be subject to backup withholding of 31 percent.

Certain shareholders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, that shareholder must generally submit a Form W-8, signed under penalties of perjury, attesting to that individual's exempt status. A Form W-8 can be obtained from the Depositary.

If backup withholding applies, the Depositary is required to withhold 31 percent of any payments made to the shareholder or payee. Backup withholding is not an additional tax. Rather, the federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

If "Applied for" is written in Part I of the Substitute Form W-9 and the Shareholder has completed the Certificate of Awaiting Taxpayer Identification Number, the Depositary will retain 31 percent of any payment of the purchase price for tendered Shares during the 60-day period following the date of the Substitute Form W-9. If a shareholder's TIN is provided to the Depositary within 60 days of the date of the Substitute Form W-9, payment of such retained amounts will be made to such shareholder. If a shareholder's TIN is not provided to the Depositary within such 60-day period, the Depositary will remit such retained amounts to the Internal Revenue Service as backup withholding and shall withhold 31 percent of any payment of the purchase price for the tendered Shares made to such shareholder thereafter unless such shareholder furnishes a TIN to the Depositary prior to such payment.

Purpose of Substitute Form W-9

To prevent backup withholding on payments made to a shareholder whose tendered Shares are accepted for purchase, the shareholder should complete and sign the Substitute Form W-9 included in this Letter of Transmittal and provide the shareholder's correct TIN and certify, under penalties of perjury, that the TIN provided on such Form is correct (or that such shareholder is awaiting a TIN) and that (i) such shareholder is exempt from backup withholding; (ii) such shareholder has not been notified by the Internal Revenue Service that such shareholder is subject to backup withholding as a result of failure to report all interest or dividends; or (iii) the Internal Revenue Service has notified the shareholder that the shareholder is no longer subject to backup withholding. The shareholder must sign and date the Substitute Form W-9 where indicated, certifying that the information on such Form is correct.

What Number to Give the Depositary

The shareholder is required to give the Depositary the social security number or employer identification number of the record owner of the Shares. If the Shares are in more than one name or are not in the name of the actual owner, consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional guidance on which number to report.

TO BE COMPLETED BY ALL TENDERING SHAREHOLDERS
(See Instruction 9)

PAYER: CITIBANK, N.A.

Name:

SUBSTITUTE
Form W-9

Address:

Department of the Treasury
Internal
Revenue
Service

Check appropriate box:

Individual[_] Corporation [_]

Partnership[_] Other (specify) [_]

Request for Taxpayer Identification Number (TIN) and Certification

---

Part I. Please provide your taxpayer identification number in the space at right. If awaiting TIN, write "Applied For" in space at right and complete the Certificate of Awaiting Taxpayer Identification Number below.

SSN:
or
EIN:

Part II. For Payees exempt from backup withholding, see the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" and complete as instructed therein.

Part III. CERTIFICATION

Under penalties of perjury, I certify that:

(1) The number shown on this form is my correct Taxpayer Identification Number (or, as indicated, I am waiting for a number to be issued to me); and

(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the IRS that I am subject to backup withholding as a result of a failure to report all interests or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions--You must cross out item (2) above if you have been notified by the IRS that you are subject to backup withholding because of underreporting of interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (2).

Signature _____ Date _____, 1999

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU WROTE "APPLIED FOR" IN PART I OF THIS SUBSTITUTE FORM W-9

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (b) I intend to mail or deliver an application in the near future. I understand that, notwithstanding the information I provided in Part III of the Substitute Form W-9 (and the fact that I have completed this Certificate of Awaiting Taxpayer Identification Number), all reportable payments made to me hereafter will be subject to a 31 percent backup withholding tax until I provide a properly certified taxpayer identification number.

_____ _____

Signature Date

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31 PERCENT OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

The Depositary for the Offer is:

Citibank, N.A.

By Mail:	By Hand:	By Courier:
Citibank, N.A. P.O. Box 685 Old Chelsea Station New York, NY 10113	Citibank, N.A. Corporate Trust Window 111 Wall Street, 5th Floor	Citibank, N.A. 915 Broadway, 5th Floor New York, NY 10010

Facsimile for Eligible Institutions:
New York, NY 10043
(212) 505-2248

To Confirm Facsimile Transmission:
by Telephone:
(800) 270-0808

The Information Agent for the Offer is:

Georgeson Shareholder Communications, Inc.

17 State Street
10th Floor
New York, New York 10004

Banks and brokers call collect: (212) 440-9800
All others call toll free: (888) 223-2064

October 21, 1999

Notice of Guaranteed Delivery

for

All Outstanding Shares of Common Stock
(Including the Associated Rights to Purchase Common Stock)

of

Cade Industries, Inc.

at
$5.05 Net Per Share
by

Sphere Corporation

a wholly owned subsidiary of

United Technologies Corporation

As set forth in Section 3 of the Offer to Purchase (as defined below), this form, or a form substantially equivalent to this form, must be used to accept the Offer (as defined below) if the certificates representing shares of common stock, par value $.001 per share, of Cade Industries, Inc., a Wisconsin corporation (the "Company"), including the associated common stock purchase rights issued pursuant to the Rights Agreement, dated as of August 4, 1998, as amended as of October 21, 1999, between the Company and Firstar Bank Milwaukee, N.A. (formerly named Firstar Trust Company), as Rights Agent (the "Shares"), are not immediately available or time will not permit all required documents to reach Citibank, N.A. (the "Depositary") prior to the Expiration Date (as defined in the Offer to Purchase) or the procedures for book-entry transfer cannot be completed on a timely basis. Such form may be delivered by hand or transmitted by facsimile transmission or mailed to the Depositary and must include a guarantee by an Eligible Institution (as defined in the Offer to Purchase). See Section 3 of the Offer to Purchase.

THE DEPOSITARY FOR THE OFFER IS:

Citibank, N.A.

By Mail:	By Hand:	By Courier:
Citibank, N.A.	Citibank, N.A.	Citibank, N.A.
P.O. Box 685	Corporate Trust Window	915 Broadway, 5th
Old Chelsea Station	111 Wall Street, 5th Floor	Floor
New York, NY 10113	New York, NY 10043	New York, NY 10010

Facsimile
for Eligible Institutions:
(212) 505-2248

To Confirm Facsimile Transmission
By Telephone: (800) 270-0808

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA A FACSIMILE NUMBER OTHER THAN AS LISTED ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tenders to Sphere Corporation, a Wisconsin corporation ("Purchaser") and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated October 21, 1999 (the "Offer to Purchase"), and the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer"), receipt of which is hereby acknowledged, the number of Shares indicated below pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase.

Number of Shares:_____

Share Certificate Numbers (if available):

_____

_____

_____

If Shares will be delivered by book-entry transfer:

Account Number:_____

Date: , 1999

Name(s) of Record Holder(s):

_____

_____
Please Type or Print

Address(es):_____

Zip Code_____

_____

Telephone Number:

_____
Area Code

Signature(s):

_____

_____

GUARANTEE

(Not to be used for signature guarantee)

The undersigned, a participant in the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Guarantee Program or the Stock Exchange Medallion Program (each, an "Eligible Institution"), hereby guarantees that either the certificates representing the Shares tendered hereby in proper form for transfer or timely confirmation of a book-entry transfer of such Shares into the Depositary's account at the Book-Entry Transfer Facility (as defined in and pursuant to procedures set forth in Section 3 of the Offer to Purchase), together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message (as defined in the Offer to Purchase)) and any other documents required by the Letter of Transmittal, will be received by the Depositary at one of its addresses set forth above within three (3) New York Stock Exchange Inc. trading days after the date of execution hereof.

The Eligible Institution that completes this form must communicate the guarantee to the Depositary and must deliver the Letter of Transmittal, certificates for Shares and/or any other required documents to the Depositary within the time period shown above. Failure to do so could result in a financial loss to such Eligible Institution.

Name of Firm: _____

Address: _____

_____
Zip Code

Area Code and Telephone Number: _____

Authorized Signature

Name: _____
Please Type or Print

Title: _____

Dated: _____, 1999

NOTE: DO NOT SEND CERTIFICATES FOR SHARES WITH THIS NOTICE OF GUARANTEED DELIVERY. CERTIFICATES FOR SHARES ARE TO BE DELIVERED WITH THE LETTER OF TRANSMITTAL.

EXHIBIT 99(a)(4)

Offer to Purchase for Cash

All Outstanding Shares of Common Stock
(Including the Associated Rights to Purchase Common Stock)

of

Cade Industries, Inc.
at
$5.05 Net Per Share
by

Sphere Corporation

a wholly owned subsidiary of

United Technologies Corporation

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, NOVEMBER 19, 1999, UNLESS THE OFFER IS EXTENDED.

October 21, 1999

To Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees:

We have been engaged by Sphere Corporation, a Wisconsin corporation ("Purchaser") and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation ("Parent"), to act as Information Agent in connection with its offer to purchase all of the outstanding shares of common stock, par value $.001 per share, of Cade Industries, Inc., a Wisconsin corporation (the "Company"), including the associated common stock purchase rights issued pursuant to the Rights Agreement, dated as of August 4, 1998, as amended as of October 21, 1999, between the Company and Firstar Bank Milwaukee, N.A. (formerly named Firstar Trust Company), as Rights Agent (the "Shares"), at $5.05 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated October 21, 1999 (the "Offer to Purchase") of Purchaser and in the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer"). Please furnish copies of the enclosed materials to those of your clients for whom you hold Shares registered in your name or in the name of your nominee.

The Offer is conditioned upon, among other things, (i) there being validly tendered and not withdrawn prior to the time of expiration of the Offer that number of Shares that, together with any Shares held by or on behalf of Parent, represents at least 75 percent of the issued and outstanding shares on a fully diluted basis and (ii) any waiting period applicable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, having expired or terminated.

Enclosed herewith are the following documents:

1. Offer to Purchase, dated October 21, 1999;

2. Letter of Transmittal to be used by shareholders of the Company in accepting the Offer;

3. Notice of Guaranteed Delivery;

4. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9;

5. Letter to shareholders of the Company from the President and Chief Executive Officer of the Company, accompanied by the Company's Solicitation/Recommendation Statement on Schedule 14D-9;

6. A printed form of a letter that may be sent to your clients for whose account you hold Shares in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer; and

7. Return envelope addressed to Citibank, N.A., the Depositary.

The Offer is being made pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated as of October 21, 1999, by and among the Company, Parent and Purchaser, pursuant to which, after completion of the Offer, Purchaser will be merged with and into the Company and the Company will be the surviving corporation, unless Parent elects, in its sole discretion, to cause the Company to merge into Purchaser with Purchaser continuing as the surviving corporation (the "Merger") and each issued and outstanding Share (other than Shares owned by Parent, Purchaser or any subsidiary of Parent, Purchaser or the Company or held in the treasury of the Company or held by shareholders who properly exercise dissenters' rights under Wisconsin law, if any) shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and represent the right to receive the price per Share paid by Purchaser in the Offer, without interest.

The Board of Directors of the Company has unanimously approved the Merger Agreement, approved the Offer and the Merger, determined that the Offer and the Merger are in the best interests of the holders of Shares and unanimously recommends that shareholders accept the Offer and tender their Shares pursuant to the Offer.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment), Purchaser will be deemed to have accepted for payment, and will pay for, all Shares validly tendered and not properly withdrawn by the Expiration Date (as defined in the Offer to Purchase) as, if and when Purchaser gives oral or written notice to the Depositary of the Purchaser's acceptance of the tenders of such Shares for payment pursuant to the Offer. Payment for Shares purchased pursuant to the Offer will be made only after timely receipt by the Depositary of (i) certificates for (or a timely Book-Entry Confirmation (as defined in the Offer to Purchase) with respect to) such Shares, (ii) a properly completed and duly executed Letter of Transmittal (or facsimile thereof) or, in the case of a book-entry transfer, an Agent's Message (as defined in the Offer to Purchase) and (iii) any other documents required by the Letter of Transmittal. Accordingly, tendering shareholders may be paid at different times depending upon when certificates for Shares or Book-Entry Confirmations with respect to Shares are actually received by the Depositary. Under no circumstances will interest be paid on the purchase price for Shares, regardless of any extension of the Offer or any delay in making payment pursuant to the Offer.

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of the Purchaser by one or more registered brokers or dealers that are licensed under the laws of such jurisdiction. An envelope in which to return your instructions to us is enclosed. If you authorize tender of your Shares, all such Shares will be tendered unless otherwise indicated in such instruction form. Please forward your instructions to us as soon as possible to allow us ample time to tender Shares on your behalf prior to the expiration of the Offer.

In order to tender Shares pursuant to the Offer, a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, or an Agent's Message (in the case of any book-entry transfer), and any other documents required by the Letter of Transmittal, should be sent to the Depositary, and either certificates representing the tendered Shares should be delivered or such Shares must be delivered to the Depositary pursuant to the procedures for book-entry transfers, all in accordance with the instructions set forth in the Letter of Transmittal and the Offer to Purchase.

Neither Parent nor Purchaser will pay any fees or commissions to any broker or dealer or other person (other than the Information Agent and the Depositary as described in the Offer to Purchase) in connection with the solicitation of tenders of Shares pursuant to the Offer. You will be reimbursed upon request for customary mailing and handling expenses incurred by you in forwarding the enclosed offering materials to your clients.

Your prompt action is requested. We urge you to contact your clients as promptly as possible. The Offer and withdrawal rights will expire at 12:00 midnight, New York City time, on Friday November 19, 1999, unless the Offer is extended.

Any inquiries you may have with respect to the Offer may be addressed to the undersigned at the address and telephone numbers set forth on the back cover page of the Offer to Purchase. Additional copies of enclosed materials may be obtained from the Information Agent and will be furnished at Purchaser's expense.

Very truly yours,

GEORGESON SHAREHOLDER
COMMUNICATIONS, INC.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL RENDER YOU OR ANY PERSON THE AGENT OF PURCHASER, PARENT, THE COMPANY, ANY AFFILIATE OF THE COMPANY, THE INFORMATION AGENT OR THE DEPOSITARY, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY REPRESENTATION ON BEHALF OF ANY OF THEM WITH RESPECT TO THE OFFER NOT CONTAINED IN THE OFFER TO PURCHASE OR THE LETTER OF TRANSMITTAL.

EXHIBIT 99(a)(5)

Offer to Purchase for Cash

All Outstanding Shares of Common Stock
(Including the Associated Rights to Purchase Common Stock)
of
Cade Industries, Inc.
at
$5.05 Net Per Share
by
Sphere Corporation

a wholly owned subsidiary of

United Technologies Corporation

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, NOVEMBER 19, 1999, UNLESS THE OFFER IS EXTENDED.

October 21, 1999

To Holders of Common Stock of Cade Industries, Inc.:

Enclosed for your information is an Offer to Purchase, dated October 21, 1999 ("Offer to Purchase"), and the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer"), relating to the Offer by Sphere Corporation, a Wisconsin corporation ("Purchaser") and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation ("Parent"), to purchase all of the outstanding shares of common stock, par value $.001 per share, of Cade Industries, Inc. (the "Company"), including the associated common stock purchase rights issued pursuant to the Rights Agreement, dated as of August 4, 1998, as amended as of October 21, 1999, between the Company and Firstar Bank Milwaukee, N.A. (formerly named Firstar Trust Company), as Rights Agent (the "Shares"), at $5.05 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer. Also enclosed is a letter to shareholders of the Company from the President and Chief Executive Officer of the Company, accompanied by the Company's Solicitation/Recommendation Statement on Schedule 14D-9.

We are the holder of record of Shares held by us for your account. A tender of such Shares can be made only by us as the holder of record and pursuant to your instructions. The Letter of Transmittal accompanying this letter is furnished to you for your information only and cannot be used by you to tender Shares held by us for your account.

We request instructions as to whether you wish to tender any or all of the Shares held by us for your account, pursuant to the terms and conditions set forth in the Offer.

Your attention is directed to the following:

1. The offer price is $5.05 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions of the Offer.

2. The Offer is being made for all of the outstanding Shares.

3. The Offer is being made pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated as of October 21, 1999, by and among Company, Parent and Purchaser, pursuant to which, after completion of the Offer, Purchaser will be merged with and into the Company and the Company will be the surviving corporation, unless Parent elects, in its sole discretion, to cause the Company to merge into Purchaser with Purchaser continuing as the surviving corporation (the "Merger"), and each issued and outstanding Share (other than Shares owned by Parent, Purchaser or any subsidiary of Parent, Purchaser or the Company or held in the treasury of the Company or Shares which are held by shareholders who properly exercise dissenters' rights under Wisconsin law, if any) shall, by virtue of the Merger, and without any action on the part of the holder thereof, be converted into and represent the right to receive the price per Share paid by Purchaser in the Offer, without interest.

4. The Board of Directors of the Company has unanimously approved the Merger Agreement, approved the Offer and the Merger, determined that the Offer and the Merger are in the best interests of the holders of Shares and unanimously recommends that shareholders accept the Offer and tender their Shares pursuant to the Offer.

5. The Offer is conditioned upon, among other things, there being validly tendered and not withdrawn prior to the Expiration Date (as defined in the Offer to Purchase) that number of Shares which together with Shares held by or on behalf of Parent represents at least 75 percent of the then issued and outstanding Shares on a fully diluted basis (the "Minimum Tender Condition"). Subject to the terms of the Merger Agreement, the Offer is also subject to other terms and conditions, including receipt of certain regulatory approvals, set forth in the Offer to Purchase. Any or all conditions to the Offer may be waived by Purchaser.

6. The Offer and withdrawal rights will expire at 12:00 midnight, New York City time, on Friday, November 19, 1999, unless the Offer is extended.

7. Any stock transfer taxes applicable to the sale of Shares to Purchaser pursuant to the Offer will be paid by Purchaser, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

If you wish to have us tender any or all of the Shares held by us for your account, please so instruct us by completing, executing and returning to us the instruction form set forth below. Please forward your instructions to us in ample time to permit us to submit a tender on your behalf prior to the expiration of the Offer. If you authorize the tender of your Shares, all such Shares will be tendered unless otherwise specified on the instruction form set forth below.

Payment for Shares accepted for payment pursuant to the Offer will be in all cases made only after timely receipt by Citibank, N.A. (the "Depositary"), of (a) certificates for (or a timely Book-Entry Confirmation (as defined in the Offer to Purchase) with respect to) such Shares, (b) a Letter of Transmittal, properly completed and duly executed, with any required signature guarantees, or, in the case of a book-entry transfer effected pursuant to the procedure set forth in Section 3 of the Offer to Purchase, an Agent's Message (as defined in the Offer to Purchase) and (c) any other documents required by the Letter of Transmittal. Accordingly, tendering shareholders may be paid at different times depending upon when certificates for Shares or Book-Entry Confirmations with respect to Shares are actually received by the Depositary. Under no circumstances will interest be paid on the purchase price for Shares, regardless of any extension of the Offer or any delay in making payment pursuant to the Offer.

The Offer is not being made to (nor will tenders be accepted from, or on behalf of) holders of Shares in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. In any jurisdiction where the securities or blue sky laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed made on behalf of Purchaser by the registered brokers or dealers that are licensed under the laws of such jurisdiction. An envelope in which to return your instructions to us is enclosed.

Instructions with Respect to the
Offer to Purchase for Cash

All Outstanding Shares of Common Stock
(Including the Associated Rights to Purchase Common Stock)
of
Cade Industries, Inc.
at
$5.05 Net Per Share
by
Sphere Corporation

a wholly owned subsidiary of

United Technologies Corporation

The undersigned acknowledge(s) receipt of your letter and the enclosed Offer to Purchase, dated October 21, 1999, and the related Letter of Transmittal, in connection with the offer by Sphere Corporation, a Wisconsin corporation ("Purchaser") and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation ("Parent"), to purchase for cash all of the outstanding shares of common stock, par value $.001 per share, of Cade Industries, Inc., a Wisconsin corporation (the "Company"), including the associated common stock purchase rights issued pursuant to the Rights Agreement, dated as of August 4, 1998, as amended as of October 21, 1999, between the Company and Firstar Bank Milwaukee, N.A. (formerly named Firstar Trust Company), as Rights Agent (the "Shares") at $5.05 per Share, net to the seller in cash, upon the terms and conditions set forth in the Offer.

This will instruct you to tender the number of Shares indicated below (or if no number is indicated below, all Shares) that are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer and the related Letter of Transmittal.

Dated: , 1999

NUMBER OF SHARES TO BE TENDERED:

SHARES*

- ---

- ---
Signature(s)

- ---
Please Print Name(s)

- ---
Please Print Address(es)

- ---
Area Code and Telephone Number(s)

- ---
Tax Identification or Social Security Number(s)

- ---
* Unless otherwise indicated, it will be assumed that all your Shares are to be tendered.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

Guidelines For Determining The Proper Name And Identification Number To Give The Payer.--Social Security numbers have nine digits separated by two hyphens: I.E., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: I.E., 00-0000000. The table below will help determine the name and number to give the payer.

For this type of account:	Give the name and SOCIAL SECURITY number of--
1. An individual account	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, any one of the individuals(1)
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
4.a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee(1)
b. So-called trust account that is not a legal or valid trust under State law	The actual owner(1)
5. Sole proprietorship account	The owner(3)

For this type of account:	Give the name and EMPLOYER IDENTIFICATION number of--
6. A valid trust, estate, or pension trust	The legal entity(4)
7. Corporate account	The corporation
8. Association, club, religious, charitable, educational or other tax-exempt organization account	The organization
9. Partnership	The partnership
10. A broker or registered nominee	The broker or nominee
11. Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural program payments	The public entity

(1) List first and circle the name of the person whose number you furnish.

(2) Circle the minor's name and furnish the minor's social security number.
(3) You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your Social Security Number or Employer Identification Number.
(4) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the identifying number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

OBTAINING A NUMBER

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card (for individuals), Form W-7, Application for an ITIN (for individuals who are not eligible to obtain an SSN but who must furnish a TIN), or Form SS-4, Application for Employer Identification Number (for businesses and all other entities), at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

Payees Exempt From Backup Withholding

The following is a list of payees specifically exempted from backup withholding depending upon the type of payment (see below):

(1) A corporation.
(2) An organization exempt from tax under section 501(a), or an IRA, or a custodial account under section 403(b)(7), if the account satisfies the requirements of section 401(f)(2).
(3) The United States or any agency or instrumentality thereof.
(4) A State, the District of Columbia, a possession of the United States, or any subdivision or instrumentality thereof.
(5) A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
(6) An international organization or any agency or instrumentality thereof.
(7) A foreign central bank of issue.
(8) A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
(9) A futures commission merchant registered with the Commodity Futures Trading Commission.
(10) A real estate investment trust.
(11) An entity registered at all times during the tax year under the Investment Company Act of 1940.
(12) A common trust fund operated by a bank under section 584(a).
(13) A financial institution.
(14) A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.
(15) A trust exempt from tax under section 664 or described in section 4947.

For interest and dividends, all listed payees are exempt except item (9). For broker transactions, payees listed in items (1) through (13) and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt.

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" IN PART II OF THE FORM, AND RETURN IT TO THE PAYER. If you are a nonresident alien or a foreign entity not subject to backup withholding, give the payer a completed Form W-8, Certificate of Foreign Status.

Privacy Act Notice.--Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers of payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 31 percent of taxable interest, dividend, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

Penalties

(1) Failure To Furnish Taxpayer Identification Number.--If you fail to furnish your correct taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty For False Information With Respect To Withholding.--If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of $500.

(3) Criminal Penalty For Falsifying Information.--Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

EXHIBIT (a)(7)

Contact: Peter Dalpe/UTC
(860) 728-7912

FOR IMMEDIATE RELEASE
Internet: www.utc.com

Gary Minor/Pratt & Whitney
(860) 565-4009

UTC TO ACQUIRE CADE INDUSTRIES INC. FOR $5.05 PER SHARE

Hartford, Conn., and Okemos, Mich., Oct. 21, 1999 -- United Technologies Corp. (NYSE: UTX) today announced that it has entered into an agreement to acquire Cade Industries, Inc. (NASDAQ: CADE). Under terms of the agreement approved by Cade's board of directors, UTC has today commenced a tender offer to acquire all outstanding common stock of Cade for $5.05 per share in cash. UTC will also assume about $20 million of Cade's debt for a total transaction value of approximately $129 million.

Holders of 26 percent of Cade's outstanding shares have agreed to tender their shares and to grant UTC an option to acquire such shares. The tender offer is scheduled to expire at midnight, Friday, November 19, 1999.

"Pratt & Whitney is committed to expanding the range of services available to our airline customers. The purchase of Cade expands our customer support network and our range of aftermarket products and services and lowers the cost of owning and operating Pratt propulsion systems," said Pratt & Whitney President Louis Chenevert.

Cade will be integrated into Pratt & Whitney Engine Services (PWES), the engine service operations of UTC's Pratt & Whitney unit.

Cade President Richard A. Lund said, "I am very pleased with the transaction and believe that it is in the best interest of the shareholders of Cade and that it will create numerous opportunities for all of our employees. Our high level of customer service and responsiveness will continue and will be expanded as part of the Pratt family."

Cade, which had 1998 revenues of $96 million, designs, develops, manufactures, overhauls and repairs high technology composite components for the aerospace and air transport industries, and is a global leader in the design, manufacture and service of jet engine test facilities and related ground testing equipment. The company's operating subsidiaries are located in Lansing, Mich.; San Diego, Calif.; Grand Prairie, Texas; and Minneapolis, Minn.

Pratt & Whitney Engine Services offers complete engine overhauls at facilities in Connecticut, Georgia, Texas and Singapore, and provides component repair capabilities in over 20 locations throughout the United States, Singapore, Ireland, Taiwan, and the Ukraine. PWES also offers materials management and fleet management programs, including spare engine and spare parts support for both airlines and military customers.

United Technologies Corporation, based in Hartford, Conn., provides a broad range of high technology products and support services to the building systems and aerospace industries.

Certain statements in this press release, including statements concerning expected savings, revenues, earnings per share and debt levels, are "forward-looking statements" as defined under securities law. UTC's operations, products, and markets are subject to a number of risk factors, which may cause actual results to vary materially from those anticipated in the forward-looking statements. UTC's SEC filings, as updated from time to time, contain important information identifying a number of these risk factors, including economical, political, climatic, currency, regulatory, technological, competitive and other important factors. This information can be found in the Business section of UTC's Annual Report on Form 10-K under the headings "Description of Business by Operating Segment" and "Other Matters Relating to the Corporation's Business as a Whole", as updated by UTC's other SEC filings from time to time.

Any forward-looking statements should be evaluated in light of these important risk factors.

EXHIBIT (a)(8)

This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares (as defined below). The Offer (as defined below) is made solely by the Offer to Purchase, dated October 21, 1999, and the related Letter of Transmittal and any amendments or supplements thereto, and is being made to all holders of Shares. The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of Purchaser (as defined below) by one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

Notice Of Offer To Purchase For Cash
All Outstanding Shares of Common Stock
(Including the Associated Rights to Purchase Common Stock)

of

Cade Industries, Inc.

at

$5.05 Net Per Share

by

Sphere Corporation

A Wholly Owned Subsidiary of

United Technologies Corporation

Sphere Corporation, a Wisconsin corporation ("Purchaser") and a wholly owned subsidiary of United Technologies Corporation, a Delaware corporation ("Parent"), is offering to purchase all outstanding shares of common stock, par value $.001 per share, of Cade Industries, Inc., a Wisconsin corporation (the "Company"), including the associated common stock purchase rights issued pursuant to the Rights Agreement, dated as of August 4, 1998, as amended (the "Rights Agreement"), between the Company and Firstar Bank Milwaukee, N.A.(formerly named Firstar Trust Company), as Rights Agent (the "Shares"), at $5.05 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated October 21, 1999, and in the related Letter of Transmittal (which, together with any amendments or supplements thereto, together constitute the "Offer"). Tendering shareholders will not be obligated to pay brokerage fees or commissions or, except as set forth in Instruction 6 of the Letter of Transmittal, transfer taxes on the purchase of Shares by Purchaser pursuant to the Offer. The purpose of the Offer is to acquire for cash as many outstanding Shares as possible as a first step in acquiring the entire equity interest in the Company. Following the consummation of the Offer, Purchaser intends to effect the Merger (as defined below).

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, NOVEMBER 19, 1999, UNLESS THE OFFER IS EXTENDED.

The Offer is conditioned upon, among other things, (1) that there are validly tendered and not withdrawn prior to the time of expiration of the Offer that number of Shares that, together with any Shares held by or on behalf of Parent, represents at least 75 percent of the then issued and outstanding Shares on a fully diluted basis and (2) any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder applicable to the purchase of Shares pursuant to the Offer having expired or been terminated. Certain other conditions to the Offer are described in Section 14 of the Offer to Purchase.

The Offer is being made pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated as of October 21, 1999, among the Company, Parent and Purchaser, pursuant to which, after completion of the Offer and the satisfaction or waiver of certain conditions, Purchaser will be merged with and into the Company and the Company will be the surviving corporation, unless Parent elects, in its sole discretion, to cause the Company to merge into Purchaser with Purchaser continuing as the surviving corporation (the "Merger") and each issued and outstanding Share (other than Shares owned by Parent, Purchaser or any subsidiary of Parent, Purchaser or the Company or held in the treasury of the Company or Shares which are held by shareholders who properly exercise

dissenters' rights pursuant to Sections 180.1301 to 180.1331 of the Wisconsin Business Corporation Law) shall, by virtue of the Merger and without any action on the part of the holder thereof, be canceled and converted into the right to receive an amount in cash, without interest, equal to the price paid for each Share pursuant to the Offer. The Merger Agreement is more fully described in the Offer to Purchase. The Company has amended the Rights Agreement to make the Rights Agreement inapplicable to the Offer, the Merger, the Merger Agreement and the Shareholder Option Agreement referred to below.

Concurrently with the execution and delivery of the Merger Agreement, Purchaser executed a Shareholder Option Agreement, dated as of October 21, 1999, with certain shareholders of the Company named therein, pursuant to which such shareholders have agreed, among other things, to validly tender (and not withdraw) approximately 26 percent of the outstanding Shares on a fully diluted basis in the Offer, to vote the Shares owned by such shareholders in favor of the Merger and against certain other extraordinary transactions and to grant an option to Purchaser to purchase the Shares held by such shareholders at $5.05 per Share (subject to adjustment in certain circumstances).

The Board of Directors of the Company has unanimously approved the Merger Agreement, approved the Offer and the Merger, determined that the Offer and the Merger are in the best interests of the holders of Shares and unanimously recommends that shareholders accept the Offer and tender their Shares pursuant to the Offer.

For purposes of the Offer, Purchaser will be deemed to have accepted for payment, and thereby purchased, Shares validly tendered and not withdrawn as, if and when Purchaser gives oral or written notice to Citibank, N.A.(the "Depositary") of Purchaser's acceptance for payment of such Shares pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares accepted for payment pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for the tendering shareholders for the purpose of receiving payments from Purchaser and transmitting such payments to the tendering shareholders. Under no circumstances will interest be paid on the purchase price for Shares, regardless of any extension of the Offer or any delay in making such payment.

In all cases, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of (a) certificates for such Shares or timely conformation of the book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in Section 3 of the Offer to Purchase, (b) a Letter of Transmittal (or facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message (as defined in Section 3 of the Offer to Purchase) in lieu of the Letter of Transmittal) and (c) any other documents required by the Letter of Transmittal.

Tenders of Shares made pursuant to the Offer are irrevocable except that Shares tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date and, unless theretofore accepted for payment by Purchaser pursuant to the Offer, may also be withdrawn at any time after December 19, 1999. The term "Expiration Date"means 12:00 midnight, New York City time, on Friday, November 19, 1999, unless and until Purchaser, in its sole discretion (subject to the terms of the Merger Agreement), shall have extended the period of time during which the Offer is open, in which event the term "Expiration Date" shall mean the latest time and date on which the Offer, as so extended by Purchaser, shall expire. Subject to the terms of the Merger Agreement and the applicable rules and regulations of the Securities and Exchange Commission, Purchaser expressly reserves the right, in its sole discretion, at any time or from time to time, to extend the period of time during which the Offer is open by giving oral or written notice of such extension to the Depositary. Any such extension will be followed as promptly as practicable by public announcement thereof, such announcement to be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date of the Offer. During any such extension, all Shares previously tendered and not withdrawn will remain subject to the Offer, subject to the right of a tendering shareholder to withdraw such shareholder's Shares.

For a withdrawal to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of the Offer to Purchase. Any such notice of withdrawal must specify the name of the person having tendered the Shares to be withdrawn, the number of Shares to be withdrawn and (if certificates for such Shares have been tendered) the names in which the certificate(s) evidencing the Shares to be withdrawn are registered, if different from that of the person who tendered such Shares. The signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution (as defined in Section 3 of the Offer to Purchase), unless such Shares have been tendered for the account of any Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer as set forth in Section 3 of the Offer to Purchase, any notice of

withdrawal must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares and otherwise comply with the Book-Entry Transfer Facility's procedures. If certificates for Shares to be withdrawn have been delivered or otherwise identified to the Depositary, the name of the registered holder and the serial numbers shown on such certificates must also be furnished to the Depositary as aforesaid prior to the physical release of such certificates. All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by Purchaser, in its sole discretion, which determination shall be final and binding. None of Parent, Purchaser, the Depositary, the Information Agent (listed below), or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give such notification. Withdrawals of tenders of Shares may not be rescinded, and any Shares properly withdrawn will be deemed not to have been validly tendered for purposes of the Offer. However, withdrawn Shares may be retendered by following one of the procedures described in Section 3 of the Offer to Purchase at any time prior to the Expiration Date.

The information required to be disclosed by paragraph (e)(1)(vii) of Rule 14d-6 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, is contained in the Offer to Purchase and is incorporated herein by reference.

The Company has provided Purchaser with the Company's shareholder lists and security position listings for the purpose of disseminating the Offer to holders of Shares. The Offer to Purchase and the Letter of Transmittal and, if required, other relevant materials, will be mailed by Purchaser to record holders of Shares and will be furnished to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the Company's shareholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

The Offer to Purchase and the Letter of Transmittal contain important information which should be read carefully before any decision is made with respect to the Offer.

Questions and requests for assistance may be directed to the Information Agent at the address and telephone number set forth below. Requests for additional copies of the Offer to Purchase and the related Letter of Transmittal may be directed to the Information Agent or to brokers, dealers, commercial banks or trust companies. Such additional copies will be furnished at Purchaser's expense. Purchaser will not pay any fees or commissions to any broker or dealer or any other person (other than the Information Agent) for soliciting tenders of Shares pursuant to the Offer.

The Information Agent for the Offer is:

[LOGO] GEORGESON
SHAREHOLDER
COMMUNICATION INC.

17 State Street, 10th Floor
New York, New York 10004
Banks and Brokers call collect:(212) 440-9800
All others call toll-free (800) 223-2064

October 21, 1999

EXHIBIT 99(c)(1)

AGREEMENT AND PLAN OF MERGER

AMONG

UNITED TECHNOLOGIES CORPORATION,

SPHERE CORPORATION

and

CADE INDUSTRIES, INC.

Dated as of October 21, 1999

TABLE OF CONTENTS

ARTICLE I
THE OFFER

ARTICLE II
THE MERGER

ARTICLE III
DISSENTING SHARES; PAYMENT FOR SHARES; OPTIONS

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Glossary of Defined Terms

Defined Terms	Defined in Section
Acquisition Proposal	Section 6.02(f)
Agreement	Opening Paragraph
Authorizations	Section 4.13(a)(ii)
Baird	Section 1.02
Certificates	Section 3.02(b)
Closing	Section 2.02
Code	Section 2.10
Common Stock	Section 1.01(a)
Company Permits	Section 4.12(a)
Company SEC Reports	Section 4.05(a)
Company Securities	Section 4.02(a)
Company	Opening Paragraph
Company Benefits Plans	Section 4.09(f)
Confidentiality Agreement	Section 1.02(a)
Continuing Directors	Section 1.04(b)
Copyrights	Section 4.14(d)(ii)
Disclosure Letter	Article IV
Dissenting Shares	Section 3.01
Effective Time	Section 2.02
Environmental Disclosure Requirements	Section 4.13(h)
Environmental Law	Section 4.13(e)
ERISA	Section 4.09(f)
Exchange Act	Section 1.01(a)
Existing Stock Option	Section 3.04
Expenses	Section 8.03(b)
Expiration Date	Exhibit A
FAA	Section 4.12(b)
Governmental Entity	Section 4.04
Hazardous Substance	Section 4.13(f)
HSR Act	Section 4.04
Legal Requirements	Section 4.04
Material Adverse Effect	Section 9.10
Material Contract	Section 4.17
Merger Agreement	Exhibit A
Merger Consideration	Section 2.06
Merger	Section 2.01
Offer	Section 1.01(a)
Offer Conditions	Section 1.01(a)
Offer Documents	Section 1.01(b)
Offer Price	Section 1.01(a)

Option Consideration	Section 3.04
Option	Recitals
Parent	Opening Paragraph
Paying Agent	Section 3.02(a)
Payment Fund	Section 3.02(a)
Person	Section 9.10
Plan	Section 4.09(f)
Potential Acquiror	Section 6.02(b)
Preferred Stock	Section 4.02(a)
Preliminary Proxy Statement	Section 6.08
Proceeding	Section 4.10
Proprietary Rights	Section 4.14
Proxy Statement	Section 4.07(b)
Purchaser	Opening Paragraph
Real Property Leases	Section 4.15(b)
Release	Section 4.13(g)
Rights	Section 1.01(a)
Rights Agreement	Section 1.01(a)
Schedule 14D-1	Section 1.01(b)
Schedule 14D-9	Section 1.02(b)
SEC	Section 1.01(a)
Shares	Section 1.01(a)
Shareholder Option Agreement	Recitals
Special Meeting	Section 2.08
Stock Awards	Section 3.05
Stock Option Plans	Section 3.04
Subsidiary	Section 9.10
Subsidiary Securities	Section 4.02(b)
Superior Proposal	Section 6.02(f)
Surviving Corporation	Section 2.01
Takeover Laws	Section 1.02(a)
Tax	Section 4.11(b)
Tax Returns	Section 4.11(b)
Termination Fee	Section 8.03(b)
Year 2000 Compliant	Section 4.16
WBCL	Recitals

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (this "Agreement"), dated as of October 21, 1999, among United Technologies Corporation, a Delaware corporation ("Parent"), Sphere Corporation, a Wisconsin corporation and a wholly owned subsidiary of Parent ("Purchaser"), and Cade Industries, Inc., a Wisconsin corporation (the "Company").

RECITALS

WHEREAS, the Boards of Directors of Purchaser and the Company have each determined that this Agreement and the transactions contemplated hereby, including the Merger (as defined in Section 2.01), are advisable and fair to, and in the best interests of, their respective shareholders;

WHEREAS, the Board of Directors of the Company has unanimously adopted resolutions approving the acquisition of the Company by Parent, this Agreement and the transactions contemplated hereby and the Shareholder Option Agreement (as defined below), and has agreed to recommend that the Company's shareholders approve the plan of merger (as such term is used in Section 180.1101 of the Wisconsin Business Corporation Law (the "WBCL")) contained in this Agreement and the transactions contemplated hereby and tender their Shares (as defined below) in the Offer (as defined below);

WHEREAS, concurrently with the execution hereof and in order to induce Parent and Purchaser to enter into this Agreement, Purchaser is entering into a Shareholder Option Agreement dated as of the date hereof (the "Shareholder Option Agreement") with the shareholders of the Company named therein under which each such shareholder is, among other things, agreeing to tender all of such shareholder Shares in the Offer and granting Parent an irrevocable option (the "Option") to purchase all of such shareholder's Shares upon the terms and conditions specified therein; and

WHEREAS, Parent, Purchaser and the Company desire to make certain representations, warranties, covenants and agreements in connection with this Agreement;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto agree as follows:

ARTICLE I

THE OFFER

SECTION 1.01 The Offer.

(a) (i) Provided that this Agreement shall not have been terminated in accordance with Section 8.01 and that none of the events set forth in clause (iii) of Exhibit A hereto shall have occurred or be existing, Purchaser shall, and Parent shall cause Purchaser to, as promptly as practicable (but in no event later than five business days following the public announcement of the terms of this Agreement) commence (within the meaning of Rule 14d-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) an offer to

purchase all outstanding shares of common stock of the Company, par value $0.001 per share (the "Common Stock"), including the associated Common Stock purchase rights (the "Rights") issued pursuant to the Rights Agreement dated as of August 4, 1998 (the "Rights Agreement") between the Company and Firstar Bank Milwaukee, N.A. (formerly named Firstar Trust Company), as Rights Agent (the Common Stock and the Rights are hereinafter referred to as the "Shares"), at a price (such price, or any higher price as may be paid in the Offer, the "Offer Price") of $5.05 per Share, net to the seller in cash (the "Offer"). The obligation of Purchaser to consummate the Offer and to accept for payment and to pay for any Shares tendered pursuant thereto shall be subject to only those conditions set forth in Exhibit A hereto (the "Offer Conditions"), any of which may be waived by Purchaser in its sole discretion. The initial expiration date of the Offer shall be the twenty first business day following the commencement of the Offer (determined in accordance with Rule 14d-1(e)(6) under the Exchange Act). Purchaser expressly reserves the right to modify the terms of the Offer, except that, without the prior written consent of the Company, Purchaser shall not (A) decrease or change the form of the consideration payable in the Offer, (B) decrease the number of Shares sought pursuant to the Offer, (C) impose additional conditions to the Offer, (D) change the conditions to the Offer or (E) make any other change in the terms or conditions of the Offer which is materially adverse to the holders of Shares.

(ii) Subject to the terms and conditions of this Agreement and to the satisfaction or waiver of the Offer Conditions as of any scheduled expiration of the Offer, Purchaser shall accept for payment and pay for Shares validly tendered and not withdrawn pursuant to the Offer as soon as practicable after such expiration. Notwithstanding the foregoing, Purchaser may, without the consent of the Company, (A) extend the Offer if at any scheduled expiration of the Offer any of the Offer Conditions have not been satisfied or waived, (B) if less than 90% of the outstanding Shares have been validly tendered and not properly withdrawn pursuant to the Offer, extend the Offer from time to time (but in no event beyond ten business days beyond the then scheduled expiration date of the Offer) for the shortest period of time reasonably determined by Parent as may be necessary to obtain the valid tender of 90% of the outstanding Shares and (C) extend the Offer for any period required by any regulation, interpretation or position of the Securities and Exchange Commission (the "SEC") or the staff thereof applicable to the Offer. In addition, the Offer Price may be increased and the Offer may be extended to the extent required by law in connection with such increase in each case without the consent of the Company.

(b) On the date of commencement of the Offer, Parent and Purchaser shall file or cause to be filed with the SEC a Tender Offer Statement on Schedule 14D-1 (together with all amendments and supplements thereto, the "Schedule 14D-1") with respect to the Offer which shall contain the offer to purchase and related letter of transmittal and other ancillary Offer documents and instruments pursuant to which the Offer will be made (collectively with any supplements or amendments thereto, the "Offer Documents"). The Company and its counsel shall be given a reasonable opportunity to review and comment on the Offer Documents prior to their filing with the SEC. Parent and Purchaser agree to provide the Company with, and to consult with the Company regarding, any comments that may be received from the SEC or its staff with respect to the Offer Documents promptly after receipt thereof. Parent, Purchaser and the Company each agrees promptly to correct any information provided by it for use in the Offer Documents if and to the extent that it shall have become false or misleading in any material respect and Parent and Purchaser further agree to take all steps necessary to cause the Offer

Documents as so corrected to be filed with the SEC and be disseminated to holders of Shares, in each case, as and to the extent required by applicable law.

SECTION 1.02 Company Actions. (a) The Company hereby consents to the Offer and represents and warrants that (i) the making of any offer and proposal and the taking of any other action by Parent or Purchaser in connection with this Agreement and the Shareholder Option Agreement and the transactions contemplated hereby and thereby have been consented to by the Board of Directors of the Company in accordance with the terms and provisions of the Confidentiality Agreement, dated September 22, 1999 between Parent and the Company (the "Confidentiality Agreement"), (ii) its Board of Directors (at a meeting or meetings duly called and held prior to the date hereof) has unanimously (A) determined that the Offer and the Merger (as hereinafter defined) are advisable and fair to and in the best interests of, the shareholders of the Company, (B) resolved to recommend acceptance of the Offer and approval and adoption of a plan of merger (as such term is used in Section 180.1101 of the WBCL) contained in this Agreement by the shareholders of the Company, (C) irrevocably taken, if and to the extent applicable, all necessary steps to render Sections 180.1130 to 180.1150 of the WBCL inapplicable to the Merger, the Shareholder Option Agreements and the acquisition of Shares pursuant to the Offer and the Option and (D) irrevocably resolved to elect, to the extent permitted by law, not to be subject to any "moratorium", "control share acquisition", "business combination", "fair price" or other form of anti-takeover laws and regulations (collectively, "Takeover Laws") of any jurisdiction that may purport to be applicable to this Agreement or the Shareholder Option Agreement and (iii) Robert W. Baird & Co. Incorporated ("Baird"), the Company's independent financial advisor, has advised the Company's Board of Directors that, in its opinion, the consideration to be paid in the Offer and the Merger to the Company's shareholders is fair, from a financial point of view, to such shareholders.

(b) Upon commencement of the Offer, the Company shall file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9 (together with all amendments and supplements thereto, the "Schedule 14D-9") containing the recommendations of its Board of Directors described in Section 1.02(a) and hereby consents to the inclusion of such recommendations in the Offer Documents and to the inclusion of a copy of the Schedule 14D-9 with the Offer Documents mailed or furnished to the Company's shareholders. Parent, Purchaser and their counsel shall be given a reasonable opportunity to review and comment on the Schedule 14D-9 prior to its filing with the SEC. The Company agrees to provide Parent and Purchaser with, and to consult with Parent and Purchaser regarding, any comments that may be received from the SEC or its staff with respect to the Schedule 14D-9 promptly upon receipt thereof. Parent, Purchaser and the Company each agrees promptly to correct any information provided by it for use in the Schedule 14D-9 if and to the extent that it shall have become false or misleading in any material respect and the Company further agree to take all steps necessary to cause the Schedule 14D-9 as so corrected to be filed with the SEC and be disseminated to holders of Shares, in each case, as and to the extent required by applicable law.

SECTION 1.03 Shareholder Lists. In connection with the Offer, the Company shall promptly furnish Parent and Purchaser with mailing labels, security position listings and any available listing or computer file containing the names and addresses of the record holders of the Shares as of the latest practicable date and shall furnish Parent and Purchaser with such information and assistance (including periodic updates of such information) as Parent or

Purchaser or their agents may reasonably request in communicating the Offer to the record and beneficial holders of the Shares.

SECTION 1.04 Directors. (a) Promptly upon the purchase by Purchaser pursuant to the Offer or otherwise of such number of Shares as represents at least a majority of the outstanding Shares, and from time to time thereafter, Purchaser shall be entitled to designate such number of directors, rounded up to the next whole number, on the Board of Directors of the Company as will give Purchaser representation on the Board of Directors of the Company equal to the product of the number of directors on the Board of Directors of the Company and the percentage that such number of Shares so purchased bears to the number of Shares outstanding, and the Company shall, upon request by Purchaser, promptly increase the size of the Board of Directors of the Company or use its best efforts to secure the resignations of such number of directors as is necessary to provide Purchaser with such level of representation and shall cause Purchaser's designees to be so elected. The Company will also use its best efforts to cause persons designated by Purchaser to constitute the same percentage as is on the entire Board of Directors of the Company to be on (i) each committee of the Board of Directors of the Company and (ii) each Board of Directors and each committee thereof of each Subsidiary of the Company. The Company's obligations to appoint designees to its Board of Directors shall be subject to Section 14(f) of the Exchange Act. At the request of Purchaser, the Company shall take all actions necessary to effect any such election or appointment of Purchaser's designees, including mailing to its shareholders the information required by Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder which, unless Purchaser otherwise elects, shall be so mailed together with the Schedule 14D-9. Parent and Purchaser will promptly supply to the Company all information with respect to themselves and their respective officers, directors and affiliates required by such Section and Rule.

(b) Following the election or appointment of Purchaser's designees pursuant to Section 1.04(a) and prior to the Effective Time (as defined below), and so long as there shall be at least one Continuing Director (as defined below), any amendment of this Agreement requiring action by the Board of Directors of the Company, any extension of time for the performance of any of the obligations or other acts of Parent or Purchaser under this Agreement and any waiver of compliance with any of the agreements or conditions under this Agreement for the benefit of the Company will require the concurrence of a majority of the directors of the Company then in office who are directors of the Company on the date hereof (the "Continuing Directors").

ARTICLE II

THE MERGER

SECTION 2.01 The Merger. Upon the terms and subject to the conditions hereof, and in accordance with the relevant provisions of the WBCL, Purchaser shall be merged with and into the Company (the "Merger") as soon as practicable following the satisfaction or waiver, if permissible, of the conditions set forth in Article VII hereof. The Company shall be the surviving corporation in the Merger (the "Surviving Corporation") and shall continue its existence under the laws of Wisconsin. In connection with the Merger, the separate corporate existence of Purchaser shall cease. Upon the election of Parent, the Merger may be structured so that the Company shall be merged with and into Purchaser, with Purchaser continuing as the

Surviving Corporation; provided, however, that the Company shall be deemed not to have breached any of its representations, warranties or covenants herein if and to the extent such breach would have been attributable solely to such election.

SECTION 2.02 Consummation of the Merger. Subject to the provisions of this Agreement, Purchaser and the Company shall cause the Merger to be consummated by filing with the Department of Financial Institutions of the State of Wisconsin a duly executed and verified articles of merger, as required by the WBCL, and shall take all such other and further actions as may be required by law to make the Merger effective. Prior to the filing referred to in this Section, a closing (the "Closing") will be held at the offices of Cleary, Gottlieb, Steen & Hamilton, One Liberty Plaza, New York, New York (or such other place as the parties may agree) for the purpose of confirming all the matters contained herein. The time the Merger becomes effective in accordance with applicable law is referred to as the "Effective Time."

SECTION 2.03 Effects of the Merger. The Merger shall have the effects set forth herein and in the applicable provisions of the WBCL.

SECTION 2.04 Articles of Incorporation and Bylaws. The Articles of Incorporation and the Bylaws of Purchaser, in each case as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation and Bylaws of the Surviving Corporation.

SECTION 2.05 Directors and Officers. The directors of Purchaser immediately prior to the Effective Time and the officers of the Company immediately prior to the Effective Time shall be the directors and officers, respectively, of the Surviving Corporation until their death, permanent disability, resignation or removal or until their respective successors are duly elected and qualified.

SECTION 2.06 Conversion of Shares. Each Share issued and outstanding immediately prior to the Effective Time (other than Shares owned by Parent, Purchaser or any Subsidiary of Parent, Purchaser or the Company or held in the treasury of the Company, all of which shall be canceled without consideration being exchanged therefor, and other than Dissenting Shares, as defined in Section 3.01 hereof) shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted at the Effective Time into the right to receive in cash an amount per Share (subject to any applicable withholding tax specified in Section 2.10 hereof) equal to the Offer Price, without interest (the "Merger Consideration"), upon the surrender of the certificate representing such Shares as provided in Section 3.02. At the Effective Time, each Existing Stock Option (as defined below) shall be converted into the right to receive the Existing Stock Option Consideration (as defined below) pursuant to Section 3.04 hereof.

SECTION 2.07 Conversion of Common Stock of Purchaser. Each share of common stock, $0.01 par value, of Purchaser issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become one share of common stock of the Surviving Corporation.

SECTION 2.08 Shareholders' Meeting'. Unless the Merger is consummated in accordance with Section 180.1104 of the WBCL as contemplated by Section 2.09, and subject to

applicable law, the Company, acting through its Board of Directors, shall, in accordance with applicable law, duly call, give notice of, convene and hold a special meeting (the "Special Meeting") of its shareholders as soon as practicable following the consummation of the Offer for the purpose of adopting the plan of merger (within the meaning of Section 180.1101 of the WBCL) set forth in this Agreement; and include in the Proxy Statement (as defined below) the recommendation of its Board of Directors that shareholders of the Company vote in favor of the adoption of the plan of merger set forth in this Agreement. Parent and Purchaser each agree that, at the Special Meeting, all of the Shares acquired pursuant to the Offer, the Option or otherwise by Parent or Purchaser or any of their affiliates will be voted in favor of the Merger.

SECTION 2.09 Merger Without Meeting of Shareholders. If Purchaser, or any other direct or indirect Subsidiary of Parent, shall hold at least 90 percent of the outstanding shares of each class of capital stock of the Company and Parent elects, in its sole discretion, to consummate the Merger in accordance with Section 180.1104 of the WBCL without a meeting of shareholders of the Company, each of Parent, Purchaser and the Company shall take all necessary and appropriate action to cause the Merger to become effective, as soon as practicable after the consummation of the Offer, without a meeting of shareholders of the Company, in accordance with such Section.

SECTION 2.10 Withholding Taxes. Parent, Purchaser and the Surviving Corporation shall be entitled to deduct and withhold from the consideration otherwise payable to a holder of Shares pursuant to the Offer or the Merger any stock transfer taxes and such amounts as are required to be withheld under the Internal Revenue Code of 1986, as amended (the "Code"), or any applicable provision of state, local or foreign tax law. To the extent that amounts are so withheld by Parent or Purchaser, such withheld amounts shall be treated for all purposes of this Agreement and the Offer as having been paid to the holder of the Shares in respect of which such deduction and withholding was made by Parent or Purchaser.

ARTICLE III

DISSENTING SHARES; PAYMENT FOR SHARES; OPTIONS

SECTION 3.01 Dissenting Shares. Notwithstanding anything in this Agreement to the contrary and unless the Merger is consummated in accordance with Section 180.1104 of the WBCL, Shares which are issued and outstanding immediately prior to the Effective Time and which are held by shareholders exercising appraisal rights available under Sections 180.1301 to 180.1331 of the WBCL (the "Dissenting Shares") shall not be converted into or be exchangeable for the right to receive the Merger Consideration, unless and until such holders shall have failed to perfect or shall have effectively withdrawn or lost their rights to appraisal under the WBCL. Dissenting Shares shall be treated in accordance with Subchapter XIII of the WBCL, if and to the extent applicable. If any such holder shall have failed to perfect or shall have effectively withdrawn or lost such right to appraisal, such holder's Shares shall thereupon be converted into and become exchangeable only for the right to receive, as of the Effective Time, the Merger Consideration without any interest thereon. The Company shall give Parent and Purchaser (a) prompt notice of any written demands for appraisal of any Shares, attempted withdrawals of such demands, and any other instruments served pursuant to the WBCL and received by the Company relating to rights to be paid the "fair value" of Dissenting Shares, as provided in

Sections 180.1301 to 180.1331 of the WBCL and (b) the opportunity to direct all negotiations and proceedings with respect to demands for appraisal under the WBCL. The Company shall not, except with the prior written consent of Parent, voluntarily make any payment with respect to any demands for appraisals of capital stock of the Company, offer to settle or settle any demands or approve any withdrawal of any such demands.

SECTION 3.02 Payment for Shares.

(a) Prior to the Effective Time, Parent will cause Purchaser to make available to a bank or trust company designated by Parent (the "Paying Agent") sufficient funds to make the payments pursuant to Section 2.06 hereof on a timely basis to holders (other than Parent or Purchaser or any of their respective Subsidiaries) of Shares that are issued and outstanding immediately prior to the Effective Time (such amounts being hereinafter referred to as the "Payment Fund"). The Paying Agent shall, pursuant to irrevocable written instructions, make the payments provided for in the preceding sentence out of the Payment Fund. The Payment Fund shall not be used for any other purpose, except as provided in this Agreement.

(b) As soon as reasonably practicable after the Effective Time, the Surviving Corporation shall cause the Paying Agent to mail to each record holder, as of the Effective Time, of an outstanding certificate or certificates which immediately prior to the Effective Time represented Shares (the "Certificates"), a form of letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon proper delivery of the Certificates to the Paying Agent) and instructions for use in effecting the surrender of the Certificate and receiving payment therefor. Following surrender to the Paying Agent of a Certificate, together with such letter of transmittal duly executed, the holder of such Certificate shall be paid in exchange therefor cash in an amount (subject to any applicable withholding tax as specified in Section 2.10 hereof) equal to the product of the number of Shares represented by such Certificate multiplied by the Merger Consideration, and such Certificate shall forthwith be canceled. No interest will be paid or accrued on the cash payable upon the surrender of the Certificates. If payment is to be made to a Person (as defined below) other than the Person in whose name the Certificate surrendered is registered, it shall be a condition of payment that the Certificate so surrendered shall be properly endorsed or otherwise in proper form for transfer and that the Person requesting such payment pay any transfer or other taxes required by reason of the payment to a Person other than the registered holder of the Certificate surrendered or establish to the satisfaction of the Surviving Corporation that such tax has been paid or is not applicable. From and after the Effective Time and until surrendered in accordance with the provisions of this Section 3.02, each Certificate (other than Certificates representing Shares owned by Parent or Purchaser or any of their respective Subsidiaries, and certificates representing Dissenting Shares) shall represent for all purposes solely the right to receive, in accordance with the terms hereof, the Merger Consideration in cash multiplied by the number of Shares evidenced by such Certificate, without any interest thereon.

(c) Any portion of the Payment Fund (including the proceeds of any investments thereof) that remains unclaimed by the former shareholders of the Company for six months after the Effective Time shall be repaid to the Surviving Corporation. Any former shareholders of the Company who have not complied with Section 3.01 hereof prior to the end of such six-month period shall thereafter look only to the Surviving Corporation (subject to abandoned property,

escheat or other similar laws) but only as general creditors thereof for payment of their claim for the Merger Consideration, without any interest thereon. Neither Parent nor the Surviving Corporation shall be liable to any holder of Shares for any monies delivered from the Payment Fund or otherwise to a public official pursuant to any applicable abandoned property, escheat or similar law. If any Certificates shall not have been surrendered prior to six years after the Effective Time (or such earlier date as shall be immediately prior to such date as such unclaimed funds would otherwise become subject to any abandoned property, escheat or similar law), unclaimed funds payable with respect to such certificates shall, to the extent permitted by applicable law, become the property of the Surviving Corporation, free and clear of all claims or interest of any Person previously entitled thereto.

SECTION 3.03 Closing of the Company's Transfer Books. At the Effective Time, the stock transfer books of the Company shall be closed and no transfer of Shares shall thereafter be made. If, after the Effective Time, Certificates are presented to the Surviving Corporation, they shall be canceled and exchanged for cash as provided in this Article III, subject to applicable law in the case of Dissenting Shares.

SECTION 3.04 Existing Stock Options. Prior to the consummation of the Offer, the Company shall take all actions necessary or desirable (including obtaining all required consents from optionees) to provide for the cancellation, effective at the Effective Time, of all of the outstanding stock options (the "Existing Stock Options") heretofore granted under any stock option, employment or similar plan or arrangement of the Company or any such similar plan or agreement which benefits any person providing services to the Company or any Subsidiary (the "Stock Option Plans"), without any payment therefor except as otherwise provided in this Section 3.04. At the Effective Time (or at such earlier time as Purchaser shall designate), each holder of an Existing Stock Option shall, in settlement thereof, be entitled to receive from the Surviving Corporation, an amount (subject to any applicable withholding tax as specified in Section 2.10 hereof or as may apply to payments made in connection with the performance of services) in cash equal to the product of (i) the excess of the Merger Consideration over the per share exercise or purchase price of such Existing Stock Option and (ii) the number of Shares subject to such Existing Stock Option (such amount being hereinafter referred to as the "Option Consideration"). Except as otherwise agreed to by the parties, as of the Effective Time, the Stock Option Plans shall terminate and any and all rights under any provisions in any other plan, program or arrangement providing for the issuance or grant of any other interest in respect of the capital stock of the Company or any Subsidiary thereof shall be canceled. Notwithstanding the foregoing, no holder of an Existing Stock Option shall be entitled to any payment hereunder unless he or she delivers to Purchaser a consent to the cancellation of such Existing Stock Option in a form to be prescribed by Purchaser.

SECTION 3.05 Other Equity Based Awards. Prior to the Effective Time, the Company shall take all necessary and appropriate actions (including obtaining all applicable consents) to provide that, upon the Effective Time, each then outstanding restricted stock award in respect of Shares and any other stock based awards (collectively, the "Stock Awards") which is subject to any vesting requirement and which was issued pursuant to a Stock Option Plan or any other plan or arrangement shall, whether or not then exercisable or vested, become 100% vested. At the Effective Time, a holder of Shares underlying such Stock Award shall be entitled to receive the Merger Consideration (subject to any applicable withholding tax as specified in

Section 2.10 hereof or as may apply to payments made in connection with the performance of services), upon the surrender of the certificate representing such Shares as provided in Section 3.02. Notwithstanding the foregoing, no holder of a Stock Award shall be entitled to any payment hereunder unless he or she delivers to Purchaser a consent to the cancellation of such Stock Award in a form to be prescribed by Purchaser.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the Company SEC Reports (as defined below) filed and available prior to the date of this Agreement or, with respect to any Section of this Article IV, as set forth in the section of the disclosure letter concurrently delivered by the Company to Parent with respect to this Agreement (the "Disclosure Letter") that specifically relates to such Section, the Company represents and warrants to Parent and Purchaser as follows:

SECTION 4.01 Organization and Qualification. The Company and each of its Subsidiaries is a duly organized and validly existing corporation in good standing under the laws of its jurisdiction of incorporation, with all corporate power and authority to own its properties and conduct its business as currently conducted and is duly qualified and in good standing as a foreign corporation authorized to do business in each of the jurisdictions in which the character of the properties owned or held under lease by it or the nature of the business transacted by it makes such qualification necessary, except where the failure to be so qualified and in good standing, individually or in the aggregate, would not have a Material Adverse Effect. The Company has heretofore made available to Parent and Purchaser accurate and complete copies of the Articles of Incorporation and Bylaws (or similar governing documents) as currently in effect of the Company and its Subsidiaries. Neither the Company nor any of its Subsidiaries, directly or indirectly, owns any interest in any Person other than in the Company's Subsidiaries.

SECTION 4.02 Capitalization. (a) The authorized capital stock of the Company consists of One Hundred Million (100,000,000) shares of Common Stock and Five Hundred (500) shares of 10% cumulative, non-voting Preferred Stock, stated value $300 per share (the "Preferred Stock"). As of the close of business on the day immediately preceding the date hereof: 21,606,207 Shares were issued and outstanding, no shares of Preferred Stock were issued and outstanding and 742,652 Shares were held in the Company's treasury. In addition, as of such date, there were outstanding Existing Stock Options to purchase an aggregate of 1,312,000 Shares and up to 59,745 Shares were potentially issuable as Stock Awards. Since such date, the Company has not issued any Shares other than upon the exercise of Existing Stock Options outstanding on such date, has not granted any options, warrants or rights or entered into other agreements or commitments to purchase Shares (under the Stock Option Plans or otherwise) and has not split, combined or reclassified any of its shares of capital stock. All of the outstanding Shares have been duly authorized and validly issued and are fully paid and nonassessable, except as provided in Section 180.0622 of the WBCL, and are free of preemptive rights. Section 4.02(a) of the Disclosure Letter contains a true, accurate and complete list, as of the date hereof, of the name of each Existing Stock Option holder, the number of outstanding Existing Stock Options held by such holder, the grant date of each such Existing Stock Option,

the number of Shares such holder is entitled to receive upon the exercise of each Existing Stock Option and the corresponding exercise price. Except for the Existing Stock Options and the Rights, there are no outstanding (i) securities of the Company convertible into or exchangeable for shares of capital stock or voting securities or ownership interests in the Company, (ii) options, warrants, rights or other agreements or commitments to acquire from the Company, or obligations of the Company to issue, any capital stock, voting securities or other ownership interests in (or securities convertible into or exchangeable for capital stock or voting securities or other ownership interests in) the Company, (iii) obligations of the Company to grant, extend or enter into any subscription, warrant, right, convertible or exchangeable security or other similar agreement or commitment relating to any capital stock, voting securities or other ownership interests in the Company (the items in clauses (i), (ii) and (iii), together with the capital stock of the Company, being referred to collectively as "Company Securities") or (iv) obligations by the Company or any
                  ----
of its Subsidiaries to make any payments based on the price or value of the Shares. There are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any Company Securities. There are no voting trusts or other agreements or understandings to which the Company or any of its Subsidiaries is a party with respect to the voting of capital stock of the Company or any of its Subsidiaries.

(b) The Company or another Subsidiary is the record and beneficial owner of all the outstanding shares of capital stock of each Company Subsidiary, free and clear of any lien, mortgage, pledge, charge, security interest or encumbrance of any kind, and there are no irrevocable proxies with respect to any such shares. There are no outstanding (i) securities of the Company or any of its Subsidiaries convertible into or exchangeable for shares of capital stock or other voting securities or ownership interests in any Subsidiary of the Company, (ii) options, warrants, rights or other agreements or commitments to acquire from the Company or any of its Subsidiaries (or obligations of the Company or any of its Subsidiaries to issue) any capital stock, voting securities or other ownership interests in, or any securities convertible into or exchangeable for any capital stock, voting securities or ownership interests in, any of its Subsidiaries, (iii) obligations of the Company or any of its Subsidiaries to grant, extend or enter into any subscription, warrant, right, convertible or exchangeable security or other similar agreement or commitment relating to any capital stock, voting securities or other ownership interests in any of the Company's Subsidiaries (the items in clauses (i), (ii) and (iii), together with the capital stock of such Subsidiaries, being referred to collectively as "Subsidiary Securities") or (iv) obligations of the Company or
                  ----
any of its Subsidiaries to make any payment based on the value of any shares of any Subsidiary. There are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any outstanding Subsidiary Securities.

SECTION 4.03 Authority for this Agreement. The Company has all
                  ----
necessary corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or to consummate the transactions so contemplated, other than, with respect to the Merger, the approval and adoption of the plan of merger (as such term is used in Section 180.1101 of the WBCL) contained in this Agreement by the holders of a majority of the outstanding Shares prior

to the consummation of the Merger (unless the Merger is consummated pursuant to Section 180.1104 of the WBCL). This Agreement has been duly and validly executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with its terms.

SECTION 4.04 Consents and Approvals; No Violation. Neither the execution and delivery of this Agreement by the Company nor the consummation of the transactions contemplated hereby will (a) conflict with or result in any breach of any provision of the respective Articles of Incorporation or Bylaws (or other similar governing documents) of the Company or any of its Subsidiaries, (b) require any consent, approval, authorization or permit of, or filing with or notification to, any foreign, federal, state or local government or subdivision thereof, or governmental, judicial, legislative, executive, administrative or regulatory authority, agency, commission, tribunal or body (a "Governmental Entity") except as may be required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), the Exchange Act and the WBCL, (c) require any consent, waiver or approval or result in a default (or give rise to any right of termination, cancellation, modification or acceleration) under any of the terms, conditions or provisions of any note, license, agreement, contract, indenture or other instrument or obligation to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries or any of their respective assets may be bound, (d) result in the creation or imposition of any mortgage, lien, pledge, charge, security interest or encumbrance of any kind on any asset of the Company or any of its Subsidiaries or (e) violate any order, writ, injunction, judgment, decree, law, statute, rule, ordinance or regulation ("Legal Requirements") applicable to the Company or any of its Subsidiaries or by which any of their respective assets are bound, except in the case of (b), (c) and (d) for any of the foregoing that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or a material adverse effect on the ability of the parties to consummate the Offer or the Merger.

SECTION 4.05 Reports; Financial Statements.

(a) Since January 1, 1997 the Company has timely filed all forms, reports and documents required to be filed by it with the SEC, all of which have complied as of their respective filing dates in all material respects with all applicable requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder. True and correct copies of all filings made by the Company with the SEC since such date and prior to the date hereof (the "Company SEC Reports"), whether or not required under applicable laws, rules and regulations and including any registration statement filed by the Company under the Securities Act of 1933, as amended, have been furnished to Parent and Purchaser. None of the SEC Reports, including any financial statements or schedules included or incorporated by reference therein, at the time filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(b) The audited and unaudited consolidated financial statements of the Company included (or incorporated by reference) in the Company SEC Reports have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis and fairly present the consolidated financial position of the Company and its Subsidiaries

as of their respective dates, and the consolidated income, shareholders equity, results of operations and changes in consolidated financial position or cash flows for the periods presented therein.

(c) Except as reflected or reserved against or disclosed in the financial statements of the Company included in the Company SEC Reports, and except as incurred in the ordinary course of business consistent with past practice since December 31, 1998, neither the Company nor any of its Subsidiaries has any liabilities of any nature, whether accrued, absolute, fixed, contingent or otherwise, whether due or to become due and whether or not required to be recorded or reflected on a balance sheet under United States generally accepted accounting principles. Since December 31, 1998, neither the Company nor any of its Subsidiaries has incurred any such liabilities other than liabilities that (i) have been incurred in the ordinary course of business consistent with past practice and (ii) have not had and are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect.

SECTION 4.06 Absence of Certain Changes. Since January 1, 1999, (a) the Company and its Subsidiaries have not suffered any Material Adverse Effect or any change, condition, event or development that could reasonably be expected to have a Material Adverse Effect, (b) the Company and its Subsidiaries have conducted their respective businesses in all material respects only in the ordinary course consistent with past practice, except for the negotiation and execution and delivery of this Agreement and (c) there has not been (i) any declaration, setting aside or payment of any dividend or other distribution in respect of the Shares or any repurchase, redemption or other acquisition by the Company or any of its Subsidiaries of any outstanding shares of capital stock or other securities in, or other ownership interests in, the Company or any of its Subsidiaries or any amendment (or agreement to amend) the terms of any such shares, securities or ownership interests, (ii) any entry into any employment, change in control, deferred compensation or severance agreement with, or any significant increase in the rate or terms (including any acceleration of the right to receive payment) of compensation payable or to become payable by the Company or any of its Subsidiaries to, their respective directors, officers or employees, except increases to employees who are not officers or directors occurring in the ordinary course of business, (iii) any increase in the rate or terms (including any acceleration of the right to receive payment) of any Plan (as defined below) or any other bonus, severance, insurance, change in control, deferred compensation, pension or other employee benefit plan, payment or arrangement made to, for or with any such directors, officers or employees, (iv) any action by the Company which, if taken after the date hereof, would constitute a breach of any of the clauses of Section 6.01 hereof, (v) any change by the Company in accounting methods, principles or practices except as required by changes in United States generally accepted accounting principles, (vi) any material labor dispute or other material employment related problem, other than routine individual grievances, or any activity or proceeding by a labor union or representative thereof to organize any employees of the Company or any Subsidiary, which employees were not then subject to a collective bargaining agreement or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to such employees, (vii) any revaluation by the Company or any of its Subsidiaries of any of their respective assets, including write-downs of inventory or of accounts receivable other than in the ordinary course of business consistent with past practice or (viii) except by contracts entered into in the ordinary course of business consistent with past practice,

any entry into any agreement, commitment or transaction by the Company which is material to the Company and its Subsidiaries taken as a whole.

SECTION 4.07 Schedule 14D-9; Offer Documents and Proxy Statement-.

(a) None of the information supplied or to be supplied by or on behalf of the Company or any affiliate of the Company for inclusion in the Offer Documents will, at the times such documents are filed with the SEC and are mailed to shareholders of the Company, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, or to correct any statement made in any communication with respect to the Offer previously filed with the SEC or disseminated to the shareholders of the Company. The Schedule 14D-9 will not, at the time the Schedule 14D-9 is filed with the SEC and at all times prior to the purchase of Shares by Purchaser pursuant to the Offer, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by the Company with respect to information supplied in writing by Parent, Purchaser or an affiliate of Parent or Purchaser expressly for inclusion therein. The Schedule 14D-9 will comply as to form in all material respects with the provisions of the Exchange Act and the rules and regulations of the SEC thereunder.

(b) The Proxy Statement, and any other schedule or document required to be filed by the Company in connection with the Merger, will not, at the time the Proxy Statement is first mailed and at the time of the Special Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, or to correct any statement made in any earlier communication with respect to the solicitation of any proxy or approval for the Merger in connection with which the Proxy Statement shall be mailed, except that no representation or warranty is made by the Company with respect to information supplied in writing by Parent, Purchaser or an affiliate of Parent or Purchaser expressly for inclusion therein. The Proxy Statement will comply as to form in all material respects with the provisions of the Exchange Act and the rules and regulations of the SEC promulgated thereunder. The letter to shareholders, notice of meeting, proxy statement and form of proxy, or the information statement, as the case may be, that may be provided to shareholders of the Company in connection with the Merger (including any amendments or supplements), and any schedules required to be filed with the SEC in connection therewith, as from time to time amended or supplemented, are collectively referred to as the "Proxy Statement."

SECTION 4.08 Brokers. No Person or entity (other than Baird, a true and complete copy of whose engagement letter as in effect has been furnished to Parent and Purchaser) is entitled to receive any brokerage, finder's or other fee or commission in connection with this Agreement or the transactions contemplated hereby based upon agreements made by or on behalf of the Company, any of its Subsidiaries or any of their respective officers, directors or employees.

SECTION 4.09 Labor and Employee Benefit Matters.

(a) (i) The employees employed by the Company and its Subsidiaries are not represented by any labor union or other labor representative, (ii) there are no collective bargaining agreements or other similar arrangements in effect with respect to such employees and (iii) there are no other Persons attempting to represent or organize or purporting to represent for bargaining purposes any employees employed by the Company or any of its Subsidiaries.

(b) (i) Since January 1, 1996 there has not occurred or been threatened any strikes, slow downs, picketing, work stoppages, concerted refusals to work or other similar labor activities with respect to employees employed by the Company or any of its Subsidiaries and (ii) no material grievance or arbitration or other Proceeding arising out of or under any collective bargaining agreement relating to the Company or any of its Subsidiaries is pending or threatened.

(c) The Company and each Subsidiary are in compliance in all material respects with all Legal Requirements relating to the employment or termination of employment of all former, current, and prospective employees, independent contractors and "leased employees" (within the meaning of Section 414(n) of the Code) of the Company and each Subsidiary.

(d) No individual has been treated by the Company or any Subsidiary as a "leased employee" (within the meaning of Section 414(n) of the Code). There are no material complaints, charges or claims against the Company or any Subsidiary pending or threatened to be brought by or filed with any Governmental Entity based on, arising out of, in connection with or otherwise relating to the employment or termination of employment by the Company or any Subsidiary of any individual involved in the business of the Company or any Subsidiary, including individuals classified by the Company or any Subsidiary as independent contractors or "leased employees" (within the meaning of Section 414(n) of the Code), or the failure to employ any individual, including, without limitation, any claim relating to employment discrimination, equal pay, employee safety and health, immigration, wages and hours or workers' compensation.

(e) There are no material liabilities, whether absolute or contingent, to any employees employed by the Company or any Subsidiary relating to workers compensation benefits that are not fully insured against by a bona fide third-party insurance carrier. All premiums required to have been paid to date under the insurance policy or fund with respect to each workers' compensation arrangement that is funded wholly or partially through an insurance policy or public or private fund, have been paid, all premiums required to be paid under the insurance policy or fund through the Closing will have been paid on or before the Closing and, as of the Closing, there will be no material liability of the Company or any Subsidiary under any such insurance policy, fund or ancillary agreement with respect to such insurance policy or fund in the nature of a retroactive rate adjustment, loss sharing arrangement or other actual or contingent liability arising wholly or partially out of events occurring prior to the Closing.

(f) "Company Benefit Plans" shall mean such employee or director benefit or compensation plan, arrangement or agreement, including, without limitation, pension, savings, retirement, welfare, insurance, severance, executive compensation, profit-sharing, deferred compensation, incentive, bonus, stock-option, stock purchase, and long-term performance plans,

arrangements or agreements, that are maintained, or contributed to, as of the date of this Agreement by the Company or any of its Subsidiaries or by any trade or business, whether or not incorporated (an "ERISA Affiliate"), all of which
---

together with the Company would be deemed a "single employer" within the meaning of Section 4001 of the Employee Retirement Income Security Act of 1974 ("ERISA")
---

or Section 414(b), (c), (m) or (o) of the Code, or to which the Company or any Subsidiary has any obligation to contribute, or with respect to which the Company or any Subsidiary has any liability. Set forth in Section 4.09(f) of the Company Disclosure Letter is a list of the material Company Benefit Plans and the Company shall, within fifteen (15) days following the date hereof, provide Purchaser with a list of all Company Benefit Plans. The Company has heretofore delivered or made available to Purchaser true and complete copies of each material Company Benefit Plan and the following related documents: (i) the actuarial report and Form 5500 for such Company Benefit Plan (if applicable) for each of the last two years, (ii) the most recent determination letter from the Internal Revenue Service (if applicable) for such Company Benefit Plan and (iii) the most recent summary plan description , including financial statements and actuarial valuations, for such Company Benefit Plan. There is no legally binding arrangement or commitment to create any additional Company Benefit Plans or intent to modify or change any existing Company Benefit Plans.

(g) (i) Each of the Company Benefit Plans has been operated and administered in accordance with its terms and with applicable Legal Requirements, including, but not limited to, ERISA and the Code, except where the failure to so operate and administer would not individually or in the aggregate result in a Material Adverse Effect on the Company, (ii) each of the Company Benefit Plans intended to be "qualified" within the meaning of Section 401(a) of the Code has received a determination letter from the Internal Revenue Service stating that it is so qualified, and, to the knowledge of the Company, there are no existing circumstances or any events that have occurred that would reasonably be expected to adversely affect the qualified status of any such Company Benefit Plan, and the consummation of the transactions contemplated hereby will not adversely affect the qualified status of any such Company Benefit Plan (iii) with respect to each Company Benefit Plan that is subject to Title IV of ERISA, the present value of accrued benefits under such plan, based upon the actuarial assumptions used for funding purposes in the most recent actuarial report prepared by such plan's actuary with respect to such plan, did not, as of its latest valuation date, exceed the then current value of the assets of such plan allocable to such accrued benefits and, to the knowledge of the Company no adverse change in such funded status has occurred, (iv) no Company Benefit Plan provides benefits, including, without limitation, death or medical benefits (whether or not insured), with respect to current or former employees or directors of the Company or its Subsidiaries beyond their retirement or other termination of service, other than (A) coverage mandated by applicable Legal Requirements, (B) death benefits or retirement benefits under any "employee pension plan" (as such term is defined in Section 3(2) of ERISA), (C) deferred compensation benefits accrued as liabilities on the books of it or its Subsidiaries or (D) benefits the full cost of which is borne by the current or former employee or director (or his or her beneficiary), (v) (A) no liability under Title IV or ERISA or Section 412 of the Code has been incurred by the Company, its Subsidiaries or any ERISA Affiliate that has not been satisfied in full, and no condition exists that presents a risk to the Company, its Subsidiaries or any ERISA Affiliate of incurring a liability thereunder, except where such liability would not reasonably be expected to have a Material Adverse Effect on the Company, (B) no "reportable event" (as defined in section 4043 of ERISA) has occurred with respect to any Company Benefit Plan, (C) no Company Benefit

Plan which is subject to Section 302 of ERISA or Section 412 of the Code has incurred any "accumulated funding deficiency" (as defined in Section 302 of ERISA and Section 412 of the Code, respectively), whether or not waived and (D) the transactions contemplated hereby will not result in any event described in section 4062(e) of ERISA, (vi) no Company Benefit Plan is a "multiemployer pension plan" (as such term is defined in Section 3(37) of ERISA), (vii) all contributions or other amounts payable by the Company or its Subsidiaries as of the Effective Time with respect to each Company Benefit Plan in respect of current or prior plan years have been paid or accrued in accordance with Generally Accepted Accounting Principles in the United States and Section 412 of the Code and have been adequately accurately reflected in the audited and unaudited consolidated financial statements of the Company included (or incorporated by reference) in the Company SEC Reports, (viii) neither the Company nor its Subsidiaries has engaged in a transaction in connection with which the Company or its Subsidiaries reasonably could be subject to either a civil penalty assessed pursuant to Section 406, 409, 502(i), 502(l) or 4069 of ERISA or a tax imposed pursuant to Section 4975 or 4976 of the Code, except where any such penalty or tax would not, individually or in the aggregate, have a Material Adverse Effect on the Company, (ix) to the knowledge of the Company, there are no pending, threatened or anticipated claims (other than routine claims for benefits) by, on behalf of or against the Company with any of the Company Benefit Plans or any trusts related thereto, and neither the Company, any Subsidiary nor any Company Benefit Plan is under audit or, to the knowledge of the Company, is the subject of an audit or investigation by any federal or state governmental agency (including, without limitation, by the Internal Revenue Service, the Department of Labor or the Pension Guarantee Benefit Corporation), nor, to the knowledge of the Company, is any such audit or investigation pending or threatened and (x) no Company Benefit Plan maintained outside of the United States has assets or book reserves that are less than the accrued liabilities under such plans, and all Company Benefit Plans maintained outside of the United States have been operated and administered in accordance with applicable Legal Requirements, except where the failure to so fund or provide book reserves for such plans or to so operate and administer such plans would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company or its Subsidiaries.

(h) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (either alone or in conjunction with any other event) will (A) result in any payment (including, without limitation, severance, unemployment compensation, "excess parachute payment" (within the meaning of Section 280G of the Code) whether or not such payment could be considered to be reasonable compensation for services rendered, forgiveness of indebtedness or otherwise) becoming due to any current or former director or employee of the Company or any of its Subsidiaries (or any group of such current or former directors or employees) under any Company Benefit Plan or otherwise, (B) increase any benefits otherwise payable under any Company Benefit Plan or (C) result in any acceleration of the time of payment or vesting of any such benefits. No deduction for U.S. Federal income tax purposes has been or is expected by the Company or any Subsidiary to be disallowed for remuneration paid by the Company or any of its Subsidiaries by reason of Section 162(m) of the Code including by reason of the transactions contemplated hereby.

(i) With respect to each Company Benefit Plan, all material payments due from the Company or any Subsidiary to the date hereof have been made and all amounts properly accrued to the date hereof, or as of the Effective Date, as liabilities of the Company or any

Subsidiary that have not been paid have been properly recorded on the books of the Company. All liabilities with respect to any current or former employee of the Company or any Subsidiary, whether contingent or otherwise, that the Purchaser will assume by reason of this Agreement or by operation of law are accurately reflected in the audited and unaudited consolidated financial statements of the Company included (or incorporated by reference) in the Company SEC Reports.

(j) Except as provided on Schedule 4.09(j) of the Company Disclosure Letter, neither the Company nor any Subsidiary maintains any plan, program or arrangement or is a party to any contract that provides any benefits or provides for payments to any Person in, based on or measured by the value of, any equity security of, or interest in, the Company or any Subsidiary.

SECTION 4.10 Litigation, etc. There is no claim suit, action or legal, administrative or arbitration proceeding (including any citations, complaints, consent orders, compliance schedules or other similar enforcement orders) or, any governmental investigation ("Proceeding") pending or, to the knowledge of the Company, threatened against or relating to the Company or any of its Subsidiaries that involve a claim against the Company or any of its Subsidiaries in excess of $250,000 or that, individually or in the aggregate, if adversely determined could reasonably be expected to have a Material Adverse Effect or that in any manner challenges or seeks to prevent, enjoin, alter or materially delay the Offer or the Merger or any of the other transactions contemplated hereby. Neither the Company nor any Subsidiary of the Company is subject to any outstanding order, writ, injunction or decree that, individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

SECTION 4.11 Tax Matters.

(a) Each of the Company and its Subsidiaries has duly and timely filed all Tax Returns required to be filed by it, and all such Tax Returns are true, complete and accurate in all respects, except to the extent that any failure to have filed such Tax Returns or any inaccuracies in such Tax Returns would not reasonably be expected to have a Material Adverse Effect on the Company. The Company and each of its Subsidiaries has paid all Taxes required to be paid by it and has paid all Taxes that it was required to withhold from amounts owing to any employee, creditor or third party except to the extent that the failure to pay or withhold Taxes in the aggregate would not reasonably be expected to have a Material Adverse Effect on the Company. There are no pending or threatened audits, examinations, investigations, deficiencies, claims or other Legal Proceedings in respect of Taxes relating to the Company or any Subsidiary, except for those relating to Taxes which, if adversely determined, would not in the aggregate reasonably be expected to have a Material Adverse Effect on the Company. There are no liens for Taxes upon the assets of the Company or any Subsidiary other than liens for current Taxes not yet due, liens for Taxes that are being contested in good faith by appropriate proceedings, and liens for Taxes which in the aggregate would not reasonably be expected to have a Material Adverse Effect on the Company. Neither the Company nor any of its Subsidiaries has requested any extension of time within which to file any Tax Returns in respect of any taxable year which have not since been filed, nor made any request for waivers of the time to assess any Taxes that are pending or outstanding, except where such requests or waivers would not reasonably be expected to have a Material Adverse Effect on the Company. Neither the Company nor any of its

Subsidiaries has made an election under Section 341(f) of the Code. The consolidated federal income Tax Returns of the Company and its Subsidiaries have been examined and closed, or the statute of limitations has closed, with respect to all taxable years through and including 1992. Neither the Company nor any of its Subsidiaries has any liability for Taxes of any person (other than the Company and its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any comparable provision of state, local or foreign law). Neither the Company nor any Subsidiary of the Company is a party to any agreement (with any person other than the Company or its Subsidiaries) relating to the allocation or sharing of Taxes.

(b) For purposes of this Agreement: (i) "Taxes" means any and all federal, state, local, foreign or other taxes of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any taxing authority, including, without limitation, taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers' compensation, unemployment compensation, or net worth, and taxes or other charges in the nature of excise, withholding, ad valorem or value added, and (ii) "Tax Return" means any return, report or similar statement (including the attached schedules) required to be filed with respect to any Tax, including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

SECTION 4.12 Compliance with Law; No Default. (a) Neither the Company nor any of its Subsidiaries is in conflict with, in default with respect to or in violation of, (i) any Legal Requirement applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected or (ii) any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries, or any property or asset of the Company or any of its Subsidiaries, is bound or affected, in each case except for any such conflicts, defaults or violations that have not had and are not reasonably expected to have a Material Adverse Effect or a material adverse effect on the ability of the parties to consummate the Offer or the Merger. The Company and its Subsidiaries have all permits, licenses, authorizations, consents, approvals and franchises from Governmental Entities required to conduct their businesses as currently conducted (the "Company Permits"), except for such permits, licenses, authorizations, consents, approvals and franchises the absence of which, individually or in the aggregate, have not had and are not reasonably expected to have a Material Adverse Effect or a material adverse effect on the ability of the parties to consummate the Offer or the Merger. The Company and its Subsidiaries are in compliance with the terms of the Company Permits, except where the failure so to comply in the aggregate has not had and is not reasonably expected to have a Material Adverse Effect or a material adverse effect on the ability of the parties to consummate the Offer or the Merger.

(b) Without limiting the generality of the foregoing Section 4.12(a), the Company and its Subsidiaries are in compliance with, and have received no notice of non-compliance with, the applicable regulations of any applicable aviation authorities (including the FAA). The Company and its Subsidiaries have, and the Surviving Corporation and the Subsidiaries will at the Effective Time have, all permits currently required by any applicable rule or regulation of any applicable aviation authorities (including the FAA). "FAA" means the U.S. Federal Aviation Administration (and any successor thereof).

SECTION 4.13 Environmental Matters.

(a) (i) The Company and each of its Subsidiaries have been at all times and are in compliance in all material respects with all applicable Environmental Laws (as defined below).

(ii) The Company and each of its Subsidiaries have obtained all permits, licenses, consents, approvals, waivers, variances and other authorizations ("Authorizations") that are required with respect to the operation of its business, property and assets under the Environmental Laws and all such Authorizations are in full force and effect.

(iii) None of Company nor any of its Subsidiaries has received any notice, request for information, complaint or administrative or judicial order, and there is no investigation, action, suit or proceeding pending nor to the knowledge of the Company, threatened, alleging or asserting material liability or potential material liability against the Company or any of its Subsidiaries under any Environmental Law or arising from or related to a Release or threatened Release.

(iv) To the knowledge of the Company and each of its Subsidiaries, there are no past or present conditions or circumstances at, or arising out of, the operations of the Company or any of its Subsidiaries, including but not limited to on-site or off-site Release, which are reasonably likely to result in: (A) material liabilities or obligations for any cleanup, remediation or corrective action under any Environmental Law, (B) material claims arising under any Environmental Law for personal injury, property damage, or damage to natural resources, or (C) material fines or penalties arising under any Environmental Law.

(b) The Company has given Parent and Purchaser access to all records and files in its possession at both its corporate headquarters and its facilities currently owned, operated, leased, managed, used or controlled by the Company, or any of its Subsidiaries, including all reports, studies, analyses, tests or monitoring results, pertaining to Hazardous Substances, any Release or any environmental concerns relating to facilities or real property owned or operated (including leased) by the Company or any of its Subsidiaries or concerning compliance with or liability under any Environmental Laws.

(c) For purposes of this Section 4.13, the definition of the Company shall include, to the knowledge of the Company, all of the Company's former Subsidiaries.

(d) Prior to the Effective Time, the Company has made all notifications, registrations, and filings required under and have taken all other necessary steps to effect the timely transfer of all Authorizations and to comply with all Environmental Disclosure Requirements (as defined below) applicable to its assets and the assets of its Subsidiaries and will provide a copy of any such notification, registration, or filing to Purchaser prior to the Effective Time.

(e) For purposes of this Agreement, "Environmental Law" means any statute, law (including common law), ordinance, rule, regulation, order, judgment or decree applicable to the Company or any of its Subsidiaries relating to (i) the protection or preservation of the

environment, worker health and safety, human health as it relates to the environment or natural resources, (ii) Releases or threatened Releases, (iii) the management (including use, treatment, handling, storage, disposal, transportation, recycling or remediation) of any Hazardous Substance; and (iv) the physical structure or condition, or appropriate use of a building, facility, fixture or other structure.

(f) For purposes of this Agreement, "Hazardous Substance" means any substance, pollutant, contaminant, chemical or other material (including petroleum or any fraction thereof, asbestos or asbestos-containing-material, polychlorinated biphenyls, urea formaldehyde foam insulation) or waste that is identified or regulated under any Environmental Law.

(g) For purposes of this Agreement, "Release" means any spill, discharge, leak, emission, disposal, injection, escape, dumping, leaching, dispersal, emanation, migration or release of any kind whatsoever of any Hazardous Substance or noxious noise or odor, at, in, on, into or onto the environment.

(h) For the purposes of this Agreement, "Environmental Disclosure Requirements" means any laws requiring notification of the buyer of real property, or notification, registration, or filing with any governmental agency, prior to the sale of any real property or transfer of control of an establishment, of the actual or threatened presence or Release into the environment, or the use, disposal, or handling of Hazardous Substance on, at, under, or near the real property to be sold or the establishment for which control is to be transferred.

SECTION 4.14 Intellectual Property.

Except to the extent the inaccuracy of any of the following, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on the Company, the Company and each of its Subsidiaries owns or possesses adequate licenses or other legal rights to use all patents, trademarks, trade names, trade dress, copyrights, service marks, trade secrets, software, mailing lists, mask works, know-how and other proprietary rights and information, including all applications with respect thereto (collectively, "Proprietary Rights") used or held for use in connection with the business of the Company and its Subsidiaries as currently conducted or as contemplated to be conducted by the Company, and the Company is unaware of any assertion or claim challenging the validity or enforceability of or the Company's and its Subsidiaries' right to use any of the foregoing. To the knowledge of the Company, after due inquiry for such purpose, the conduct of the business of the Company and its Subsidiaries as currently conducted and as contemplated to be conducted did not, does not and will not infringe or violate in any way any Proprietary Rights of any third party that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on the Company. To the knowledge of the Company, after due inquiry for such purposes, there are no infringements or violations of any Proprietary Rights owned by or licensed by or to the Company or any of its Subsidiaries that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on the Company.

SECTION 4.15 Real Property.

(a) Section 4.15(a) of the Disclosure Letter sets forth a true, correct and complete list of all of the real property owned in fee by the Company and its Subsidiaries. Each of the Company and its Subsidiaries has good and marketable title to each parcel of real property owned by it free and clear of all mortgages, pledges, liens, encumbrances and security interests, except (i) those reflected or reserved against in the balance sheet of the Company dated as of June 30, 1999 and included in the SEC Reports, (ii) Taxes and general and special assessments not in default and payable without penalty and interest and (iii) other liens, mortgages, pledges, encumbrances and security interests which do not materially interfere with the Company's or such Subsidiary's use and enjoyment of such real property.

(b) Section 4.15(b) of the Disclosure Letter sets forth a true, correct and complete list of all leases, subleases and other agreements under which the Company or any of its Subsidiaries uses or occupies or has the right to use or occupy, now or in the future, any real property (the "Real Property Leases"). The Company has heretofore delivered to Parent and Purchaser true, correct and complete copies of all Real Property Leases (including all modifications, amendments, supplements, waivers and side letters thereto). Each Real Property Lease is valid, binding and in full force and effect, all rent and other sums and charges payable by the Company and its Subsidiaries as tenants thereunder are current, and no termination event or condition or uncured default of a material nature on the part of the Company or any such Subsidiary exists under any Real Property Lease. Each of the Company and its Subsidiaries has a good and valid leasehold interest in each parcel of real property leased by it free and clear of all mortgages, pledges, liens, encumbrances and security interests, except (i) those reflected or reserved against in the balance sheet of the Company dated as of September 30, 1999, (ii) Taxes and general and special assessments not in default and payable without penalty and interest, and (iii) other liens, mortgages, pledges, encumbrances and security interests which do not materially interfere with the Company's use and enjoyment of such real property or materially detract from or diminish the value thereof.

SECTION 4.16 Year 2000. As of December 31, 1999, all internal computer systems that are material to the business, finances or operations of the Company will be (a) able to receive, record, store, process, calculate, manipulate and output dates from and after January 1, 2000, time periods that include January 1, 2000 and information that is dependent on or relates to such dates or time periods, in the same manner and with the same accuracy, functionality, data integrity and performance as when dates or time periods prior to January 1, 2000 are involved and (b) able to store and output date information in a manner that is unambiguous as to century ("Year 2000 Compliant"). To the knowledge of the Company and its Subsidiaries and upon reasonable investigation, as of the Effective Time the systems of the Company's and its Subsidiaries' material suppliers are Year 2000 Compliant.

SECTION 4.17 Material Contracts. The Company has made available to Parent and Purchaser true, correct and complete copies of all contracts, agreements, commitments, arrangements, leases (including with respect to personal property) and other instruments to which the Company or any of its Subsidiaries is a party or by which the Company, any of its Subsidiaries or any of their respective assets is bound which (a) involves or could involve aggregate payments of more than $500,000, (b) involves or could involve aggregate revenues of

more than $500,000 and which contains provisions relating to change of control or restrictions on assignment, (c) is with any of the Company's officers, directors or affiliates, (d) is or could reasonably be expected to be material to the Company and its Subsidiaries taken as a whole, (e) is a confidentiality, standstill or similar agreement or (f) contains covenants limiting the freedom to engage in any line of business or compete with any Person or operate at any location (each, a "Material Contract"). Neither the Company nor any of its
Subsidiaries is, or has received any notice or has any knowledge that any other party is, in default in any material respect under any Material Contract, and there has not occurred any event that with the lapse of time or the giving of notice or both would constitute such a material default, except for such defaults, individually or in the aggregate, that have not had and are not reasonably expected to have a Material Adverse Effect or a material adverse effect on the ability of the parties to consummate the Offer or the Merger.

SECTION 4.18 Related Party Transactions. No director, officer, partner, employee, affiliate or associate of the Company or any of its Subsidiaries (a) has borrowed any monies from or has outstanding any indebtedness or other similar obligations to the Company or any of its Subsidiaries, (b) owns any direct or indirect interest of any kind (other than the ownership of less than 5% of the stock of a publicly traded company) in, or is a director, officer, employee, partner, affiliate or associate of, or consultant or lender to, or borrower from, or has the right to participate in the management, operations or profits of, any Person or entity which is (i) a competitor, supplier, customer, distributor, lessor, tenant, creditor or debtor of the Company of any of its Subsidiaries, (ii) engaged in a business related to the business of the Company or any of its Subsidiaries or (iii) participated in any transaction to which the Company or any of its Subsidiaries is a party; or (c) is otherwise a party to any contract, arrangement or understanding with the Company or any of its Subsidiaries.

SECTION 4.19 State Takeover Statutes Inapplicable. (a) Sections 180.1140 to 180.1145 of the WBCL are inapplicable to the Offer, the Merger, this Agreement and the Shareholder Option Agreement and the transactions contemplated hereby and thereby.

(b) Upon Purchaser's acquisition of at least seventy-five percent (75%) of the outstanding Shares, Purchaser will (i) possess a majority of all the votes entitled to be cast at such time on the plan of merger (as such term is defined in Section 180.1103 of the WBCL) and (ii) have the sole power to approve such plan of merger without the vote of any other shareholder of the Company, provided, that, in the case of clause (ii), Purchaser complies with Sections 180.1104(3) and (4) and 180.1132(1) of the WBCL, as applicable.

(c) No vote by the Company shareholders under Section 180.1131 of the WBCL will be required to approve the Merger except for the vote generally required under Section 180.1103 of the WBCL, provided that this Agreement, the Offer and the Shareholder Option Agreement are first publicly announced and the Offer is commenced (within the meaning of Rule 14d-2 promulgated under the Exchange Act) on the same day.

(d) The Company is not a "target company" which has "substantial assets located in Wisconsin", as determined under Section 552.01(6)(b) of the Wisconsin Statutes.

SECTION 4.20 Rights Agreement. The Company has irrevocably taken all necessary action, including, without limitation, amending the Rights Agreement with respect to all of the outstanding Rights issued pursuant to the Rights Agreement, (a) to render the Rights Agreement inapplicable to this Agreement, the Shareholder Option Agreement, the Offer, the Merger and the specific transactions contemplated hereby and thereby, (b) to ensure that (i) Parent and Purchaser, or either of them, are not deemed to be an Acquiring Person (as defined in the Rights Agreement) pursuant to the Rights Agreement and (ii) no Triggering Event (as such term is defined in the Rights Agreement) occur by reason of the execution and delivery of this Agreement, the Shareholder Option Agreement or the consummation of the Offer, the Merger or transactions contemplated by this Agreement or the Shareholder Option Agreement and (c) so that the Company will have no obligations under the Rights or the Rights Agreement in connection with the Offer and the Merger and the holders of Shares will have no rights under the Rights or the Rights Agreement in connection with the Offer and the Merger. The Rights Agreement, as so amended to comply with this Section, has not been further amended or modified. Copies of all such amendments to the Rights Agreement have been previously provided to Purchaser.

SECTION 4.21 Required Vote of Company Shareholders. Unless the Merger is consummated in accordance with Section 180.1104 of the WBCL as contemplated by Section 2.09, the only vote of the shareholders of the Company required to adopt the plan of merger contained in this Agreement and approve the Merger is the affirmative vote of the holders of not less than a majority of the outstanding Shares. No other vote of the shareholders of the Company is required by law, the Articles of Incorporation or Bylaws of the Company as currently in effect or otherwise to adopt the plan of merger contained in this Agreement and approve the Merger. Purchaser will have full voting power with respect to any Shares purchased pursuant to the Offer or the Options to the extent allowed under Section 180.1150 of the WBCL.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT AND PURCHASER

Parent and Purchaser represent and warrant to the Company as follows:

SECTION 5.01 Organization and Qualification. Each of Parent and Purchaser is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its organization. All of the issued and outstanding capital stock of Purchaser is owned directly or indirectly by Parent.

SECTION 5.02 Authority for this Agreement. Each of Parent and Purchaser has all requisite corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by Parent and Purchaser and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate proceedings on the part of Parent and Purchaser. This Agreement has been duly and validly executed and delivered by Parent and Purchaser and constitutes a legal, valid and binding agreement of each of Parent and Purchaser, enforceable against each of Parent and Purchaser in accordance with its terms.

SECTION 5.03 Offer Documents; Proxy Statement.

(a) None of the Offer Documents will, at the times such documents are filed with the SEC and are mailed to the shareholders of the Company, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading, except that no representation is made by Parent or Purchaser with respect to information supplied in writing by the Company or an affiliate of the Company expressly for inclusion therein. The Offer Documents will comply as to form in all material respects with the provisions of the Exchange Act and the rules and regulations of the SEC thereunder.

(b) None of the information supplied by Parent, Purchaser or any affiliate of Parent or Purchaser specifically for inclusion in the Proxy Statement or the Schedule 14D-9 will, at the date of filing with the SEC, and, in the case of the Proxy Statement, at the time the Proxy Statement is mailed and at the time of the Special Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

SECTION 5.04 Consents and Approvals; No Violation. Neither the execution and delivery of this Agreement by Parent or Purchaser nor the consummation of the transactions contemplated hereby will (a) conflict with or result in any breach of any provision of the respective Certificates of Incorporation or Bylaws (or other similar governing documents) of Parent or Purchaser, (b) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Entity, except (i) as may be required under the HSR Act, any non-United States competition, antitrust and investment laws, the Exchange Act, the WBCL, Chapter 552 of the Wisconsin Statute and the "takeover" or "blue sky" laws of various states or (ii) where the failure to obtain such consent, approval, authorization or permit, or to make such filing or notification, would not, individually or in the aggregate, have a material adverse effect on the ability of Parent or Purchaser to consummate the transactions contemplated hereby, (c) require any consent, waiver or approval or result in a default (or give rise to any right of termination, cancellation, modification or acceleration) under any of the terms, conditions or provisions of any note, license, agreement, contract, indenture or other instrument or obligation to which Parent or Purchaser or any of their respective Subsidiaries is a party or by which Parent or any of its Subsidiaries or any of their respective assets may be bound, except for such defaults (or rights of termination, cancellation, modification or acceleration) as to which requisite waivers or consents have been obtained or which would not in the aggregate have a material adverse effect on the ability of Parent or Purchaser to consummate the transactions contemplated hereby or (d) violate any Legal Requirement applicable to Parent, Purchaser or any of their respective Subsidiaries or by which any of their respective assets are bound, except for violations which would not, individually or in the aggregate, have a material adverse effect on the ability of Parent or Purchaser to consummate the transactions contemplated hereby.

SECTION 5.05 Operations of Purchaser. Purchaser was formed solely for the purpose of engaging in the transactions contemplated hereby, has engaged in no other business activities and has conducted and will conduct its operations only as contemplated hereby.

SECTION 5.06 Brokers. No Person or entity is entitled to receive any brokerage, finder's or other fee or commission in connection with this Agreement or the transactions contemplated hereby based upon agreements made by or on behalf of Parent, Purchaser or any of their Subsidiaries or any of their respective officers, directors or employees.

ARTICLE VI

COVENANTS

SECTION 6.01 Conduct of Business of the Company. Except as expressly contemplated by this Agreement, during the period from the date of this Agreement to the date on which a majority of the Company's directors are designees of Parent or Purchaser, the Company will conduct and will cause each of its Subsidiaries to conduct its operations according to its ordinary and usual course of business and consistent with past practice, and the Company will use and will cause each of its Subsidiaries to use its commercially reasonable efforts to preserve intact its business organization, to keep available the services of its current officers and employees and to preserve the goodwill of and maintain satisfactory relationships with those Persons and entities having business relationships with the Company and its Subsidiaries, and the Company will promptly advise Parent and Purchaser in writing of any material change in the Company's or any of its Subsidiaries' condition (financial or otherwise), properties, customer or supplier relationships, assets, liabilities, business prospects or results of operations. Without limiting the generality of the foregoing and except as otherwise expressly provided in or contemplated by this Agreement or the Disclosure Letter, during the period specified in the preceding sentence, without the prior written consent of Parent which shall not be unreasonably withheld, the Company will not and will not permit any of its Subsidiaries to:

(a) issue, sell, grant options, restricted shares or rights to purchase, pledge, or authorize or propose the issuance, sale, grant of options, restricted shares or rights to purchase or pledge of (i) any Company Securities (including any Existing Stock Option or Stock Award) or Subsidiary Securities, or grant or accelerate any right to convert or exchange any Company Securities or Subsidiary Securities, other than Shares issuable upon exercise of the Existing Stock Options or Stock Award or (ii) any other securities in respect of, in lieu of or in substitution for Shares outstanding on the date hereof or any other right the value of which is based on the value of Company Securities or Subsidiary Securities;

(b) acquire or redeem, directly or indirectly, or amend any Company Securities or Subsidiary Securities;

(c) split, combine or reclassify its capital stock or declare, set aside, make or pay any dividend or distribution (whether in cash, stock or property) on any shares of its capital stock (other than cash dividends paid to the Company by its wholly-owned Subsidiaries with regard to their capital stock);

(d) (i) make or offer to make any acquisition, by means of a merger or otherwise, of assets or securities, or any sale, lease, encumbrance or other disposition of assets or securities, in each case involving the payment or receipt of consideration of $250,000 or

more, except for purchases of inventory made in the ordinary course of business and consistent with past practice or (ii) except in the ordinary course consistent with past practice, enter into a Material Contract or amend any Material Contract or grant any release or relinquishment of any rights under any Material Contract;

(e) incur or assume any long-term debt or short-term debt except for short-term debt incurred in the ordinary course of business consistent with past practice;

(f) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other Person except wholly-owned Subsidiaries of the Company;

(g) make any loans, advances or capital contributions to, or investments in, any other Person (other than wholly-owned Subsidiaries of the Company);

(h) change any of the accounting principles or practices used by it;

(i) make any Tax election or settle or compromise any material federal, state or local income Tax liability;

(j) propose or adopt any amendments to its Articles of Incorporation or Bylaws (or similar documents);

(k) grant any stock-related, performance or similar awards or bonuses;

(l) forgive any loans to employees, officers, consultants or directors or any of their respective affiliates or associates;

(m) enter into any new, or amend any existing, employment, severance, consulting, retention, change in control, deferred compensation or salary continuation agreements with or for the benefit of any current or former officers, directors, employees or consultants, or grant any increases in the compensation, wages, salaries, fringe benefits, perquisites or benefits to any current or former officers, directors and employees (other than normal increases to persons who are not officers or directors in the ordinary course of business consistent with past practices and that do not result in a material increase in benefits or compensation expense of the Company);

(n) make any deposits or contributions of cash or other property to or take any other action to fund or in any other way secure the payment of compensation or benefits under the Plans or agreements subject to the Plans or any other plan, agreement, contract or arrangement of the Company (except for any matching contributions to the Company's 401(k) plan which are consistent with past practice);

(o) enter into, amend, or extend any collective bargaining or other labor agreement;

(p) adopt, amend or terminate any Plan or any other bonus, severance, insurance pension or other employee benefit plan or arrangement;

(q) settle or agree to settle any suit, action, claim, proceeding or investigation (including any suit, action, claim, proceeding or investigation relating to this Agreement or the transactions contemplated hereby) or pay, discharge or satisfy or agree to pay, discharge or satisfy any claim, liability or obligation (absolute or accrued, asserted or unasserted, contingent or otherwise) other than the payment, discharge or satisfaction of liabilities reflected or reserved against in full in the financial statements as at June 30, 1999, incurred in the ordinary course of business subsequent to June 30, 1999 or are less than $25,000 in the aggregate;

(r) except as specifically permitted by Section 6.02, take, or agree to commit to take, or fail to take any action that would result or is reasonably likely to result in any of the Offer Conditions or any of the conditions to the Merger set forth in Article VII not being satisfied, or would make any representation or warranty of the Company contained herein inaccurate in any material respect at, or as of any time prior to, the Effective Time, or that would impair the ability to consummate the Offer or the Merger in accordance with the terms hereof or materially delay such consummation;

(s) convene any regular or special meeting (or any adjournment thereof) of the shareholders of the Company other than the meeting contemplated by Section 2.08 of this Agreement; or

(t) except as provided above, agree in writing or otherwise to take any of the foregoing actions.

SECTION 6.02 No Solicitation. (a) The Company shall not, and shall cause its Subsidiaries and its and their respective officers, directors, employees, representatives (including investment bankers, attorneys and accountants), agents or affiliates not to, directly or indirectly, encourage, solicit, initiate or participate in any way in any discussions or negotiations with, or provide any information to, or afford any access to the properties, books or records of the Company or any of its Subsidiaries to, or otherwise take any other action to assist or facilitate, any Person or group (other than Parent or Purchaser or any affiliate or associate of Parent or Purchaser) concerning any Acquisition Proposal (as defined below) or the possible making of an Acquisition Proposal. Notwithstanding the foregoing and subject to compliance with Section 6.02(b) and the prior execution by such Person or group of a confidentiality agreement substantially in the form of the Confidentiality Agreement, the Company may furnish information to or enter into discussions or negotiations with any Person or entity that has made an unsolicited bona fide Acquisition Proposal that the Board of Directors of the Company determines is a Superior Proposal (as defined below) if, and only to the extent that, the Board of Directors of the Company, after consultation with outside legal counsel to the Company, determines in good faith that failure to do so would result in a breach of the fiduciary duty of the Board of Directors of the Company to the shareholders of the Company under applicable law.

(b) The Company will promptly (and in any event within 48 hours) notify Parent and Purchaser, orally and in writing, if any such information is requested or any such negotiations or discussions are sought to be initiated and will promptly communicate to Parent and Purchaser the identity of the Person or group making such request or inquiry (the "Potential Acquiror") and any other terms of such request, inquiry or Acquisition Proposal. Such

notification shall include copies of any written communications received from the Potential Acquiror. If the Company (or any of its Subsidiaries or its or their respective officers, directors, employees, representatives, agents or affiliates) participates in discussions or negotiation with, or provides information to, a Potential Acquiror, the Company will keep Parent advised on a current basis of any developments with respect thereto.

(c) The Company will, and will cause its Subsidiaries and its and their respective officers, directors, employees, representatives, agents and affiliates to, immediately cease and cause to be terminated any existing activities, discussions or negotiations with any Persons other than Parent, Purchaser or any of their respective affiliates or associates conducted prior to the date hereof with respect to any Acquisition Proposal.

(d) Unless and until this Agreement has been terminated in accordance with Section 8.01, the Company shall not (i) withdraw or modify, or propose publicly to withdraw or modify, in a manner adverse to Parent or Purchaser, the approval or recommendation of the Offer or the Merger as set forth in Section 1.02(a), (ii) approve or recommend, or propose publicly to approve or recommend, any Acquisition Proposal, (iii) release any third party from any confidentiality or standstill agreement to which the Company is a party or fail to enforce to the fullest extent possible, or grant any waiver or request or consent to any Acquisition Proposal under any such agreement, (iv) redeem the Rights or amend, or take any other action with respect to, the Rights Agreement to facilitate any Acquisition Proposal or (v) enter into any letter of intent, agreement in principle, acquisition agreement or other agreement related to any Acquisition Proposal. Without limiting any other rights of Parent and Purchaser under this Agreement in respect of any such action, any withdrawal or modification by the Company of the approval or recommendation of the Offer or the Merger shall not have any effect on the approvals of, and other actions referred to herein for the purpose causing Takeover Laws and the Rights Agreement to be inapplicable to, this Agreement and the Shareholder Option Agreement and the transactions contemplated hereby and thereby, which approvals and actions are irrevocable.

(e) Nothing contained in this Section 6.02 shall prohibit the Company or its Board of Directors from taking and disclosing to the Company's Shareholders a position with respect to a tender offer by a third party pursuant to Rules 14d-9 and 14e-2(a) promulgated under the Exchange Act.

(f) For purposes of this Agreement, (i) "Acquisition Proposal" means
---
any offer or proposal, or any indication of interest in making an offer or proposal, made by a Person or group at any time which is structured to permit such Person or group to acquire beneficial ownership of any material portion of the assets of, or at least 5% of the equity interest in, or businesses of, the Company pursuant to a merger, consolidation or other business combination, sale of shares of capital stock, sale of assets, tender offer or exchange offer or similar transaction, including any single or multi-step transaction or series of related transactions, in each case other than the Offer and the Merger and (ii) "Superior Proposal" means any unsolicited, bona fide Acquisition Proposal made
---
in writing in respect of which the Board of Directors of the Company has reasonably determined in good faith (A) after consulting with and receiving the advice of its independent financial advisors to such effect, that the Potential Acquiror has the financial wherewithal to consummate such Acquisition Proposal without having to obtain new financing,

(B) after receiving the advice of its independent financial advisors to such effect, that such Acquisition Proposal would involve consideration that is superior to the consideration under the Offer and the Merger and (C) after consulting with and receiving the advice of its outside counsel and independent financial advisors to such effect, that such Acquisition Proposal is reasonably likely to be consummated without undue delay.

SECTION 6.03 Access to Information.

(a) From and after the date of this Agreement, the Company will (i) give Parent and Purchaser and their authorized accountants, investment bankers, counsel and other representatives complete access (during regular business hours upon reasonable notice) to all employees, plants, offices, warehouses and other facilities and to all books, contracts, commitments and records (including Tax returns) of the Company and its Subsidiaries and cause the Company's and its Subsidiaries' independent public accountants to provide access to their work papers and such other information as Parent or Purchaser may reasonably request, (ii) permit Parent and Purchaser to make such inspections as they may require, (iii) cause its officers and those of its Subsidiaries to furnish Parent and Purchaser with such financial and operating data and other information with respect to the business, properties and personnel of the Company and its Subsidiaries as Parent or Purchaser may from time to time request and (iv) furnish promptly to Parent and Purchaser a copy of each report, schedule and other document filed or received by the Company during such period pursuant to the requirements of the federal or state securities laws.

(b) Information obtained by Parent or Purchaser pursuant to Section 6.03(a) shall be subject to the provisions of the Confidentiality Agreement, the terms of which are incorporated herein by reference.

SECTION 6.04 Reasonable Best Efforts.

(a) Subject to the terms and conditions herein provided for, each of the parties hereto agrees to use its commercially reasonable efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement; provided, however, that nothing in this Agreement (other than as expressly provided for in Section 1.01) shall obligate Parent or Purchaser to keep the Offer open beyond the expiration date set forth in the Offer (as it may be extended from time to time). Without limiting the foregoing, (i) each of the Company, Parent and Purchaser shall use its commercially reasonable efforts to make promptly any required submissions under the HSR Act which the Company or Parent determines should be made, in each case, with respect to the Offer, the Merger, this Agreement or the Shareholder Option Agreement and the transactions contemplated hereby and thereby and (ii) Parent, Purchaser and the Company shall cooperate with one another (A) in promptly determining whether any filings are required to be or should be made or consents, approvals, permits or authorizations are required to be or should be obtained under any other federal, state or foreign law or regulation or whether any consents, approvals or waivers are required to be or should be obtained from other parties to loan agreements or other contracts or instruments material to the Company's business in connection with the consummation of the transactions contemplated by

this Agreement and (B) in promptly making any such filings, furnishing information required in connection therewith and seeking to obtain timely any such consents, permits, authorizations, approvals or waivers. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement, the proper officers and directors of each party to this Agreement shall take all such necessary action.

(b) In the event that any action, suit, proceeding or investigation relating hereto or to the transactions contemplated hereby is commenced, whether before or after the Effective Time, the parties hereto agree to cooperate and use their commercially reasonable efforts to defend vigorously against it and respond thereto.

(c) Nothing in this Agreement shall obligate Parent, Purchaser or any of their respective Subsidiaries or affiliates to agree (i) to limit in any manner whatsoever or not to exercise any rights of ownership of any securities (including the Shares), or to divest, dispose of or hold separate any securities or all or a material portion of their respective businesses, assets or properties or of the business, assets or properties of the Company or any of its Subsidiaries or (ii) to limit in any material manner whatsoever the ability of such entities (A) to conduct their respective businesses or own such assets or properties or to conduct the businesses or own the properties or assets of the Company and its Subsidiaries or (B) to control their respective businesses or operations or the businesses or operations of the Company and its Subsidiaries.

SECTION 6.05 Indemnification and Insurance.

(a) Parent and Purchaser agree that all rights to indemnification existing in favor of the present or former directors, officers and employees of the Company or any of its Subsidiaries as provided in the Company's Articles of Incorporation or Bylaws, or the articles of organization, bylaws or similar documents of any of the Company's Subsidiaries as in effect as of the date hereof with respect to matters occurring prior to the Effective Time shall survive the Merger and shall continue in full force and effect for a period of not less than the statutes of limitations applicable to such matters, and Parent agrees to cause the Surviving Corporation to comply fully with its obligations hereunder and thereunder.

(b) The Surviving Corporation will cause to be maintained in effect for a period of six years after the Effective Time, in respect of acts or omissions occurring prior to the Effective Time (but only in respect thereof), policies of directors' and officers' liability insurance covering the persons currently covered by the Company's existing directors' and officers' liability insurance policies and providing substantially similar coverage to such existing policies; provided, however, that the Surviving Corporation will not be required in order to maintain such directors' and officers' liability insurance policies to pay an annual premium in excess of 200% of the aggregate annual amounts currently paid by the Company to maintain the existing policies (which amount is not more than $50,000); and provided further that, if equivalent coverage cannot be obtained, or can be obtained only by paying an annual premium in excess of 200% of such amount, the Surviving Corporation shall only be required to obtain as much coverage as can be obtained by paying an annual premium equal to 200% of such amount.

(c) This Section 6.05 shall survive the consummation of the Merger and is intended to benefit, and shall be enforceable, by any Person or entity entitled to be indemnified hereunder (whether or not parties to this Agreement).

SECTION 6.06 Employee Matters

(a) Prior to the Effective Time, except as set forth below, the Company will, and will cause its Subsidiaries to, and from and after the Effective Time, Parent will, and will cause the Surviving Corporation to, honor, in accordance with their terms all existing employment and severance agreements between the Company or any of its Subsidiaries and any officer, director or employee of the Company or any of its Subsidiaries specified in Section 4.09(f) of the Disclosure Letter.

(b) The Company shall take, or cause to be taken, all action necessary, as promptly hereafter as reasonably practicable, to amend any plan maintained by the Company or any of its Subsidiaries to eliminate, as of the date hereof, all provisions for the purchase of Shares directly from the Company or any of its Subsidiaries or securities of any Subsidiary.

(c) Parent will, and will cause the Surviving Corporation to, cause service rendered by employees of the Company and its Subsidiaries prior to the Effective Time to be taken into account for vesting and eligibility purposes under employee benefit plans of Parent, the Surviving Corporation and its Subsidiaries, to the same extent as such service was taken into account under the corresponding plans of the Company and its Subsidiaries for those purposes. Employees of the Company and its Subsidiaries will not be subject to any pre-existing condition limitation under any health plan of Parent, the Surviving Corporation or its Subsidiaries for any condition for which they would have been entitled to coverage under the corresponding plan of the Company or its Subsidiaries in which they participated prior to the Effective Time. Parent will, and will cause the Surviving Corporation and its Subsidiaries, to give such employees credit under such plans for co-payments made and deductibles satisfied prior to the Effective Time.

(d) No later than two business days prior to its distribution, the Company and its Subsidiaries shall provide Parent and Purchaser with a copy of any communication intended to be made to any of their respective employees relating to the transactions contemplated hereby, and will provide an opportunity for Parent and Purchaser to make reasonable revisions thereto.

SECTION 6.07 Takeover Laws. The Company shall, upon the request of Parent or Purchaser, take all reasonable steps to exclude the applicability of, or to assist in any challenge by Parent or Purchaser to the validity, or applicability to the Offer, the Merger or any other transaction contemplated by this Agreement or the Shareholder Option Agreement of, any Takeover Laws.

SECTION 6.08 Proxy Statement. Unless the Merger is consummated in accordance with Section 180.1104 of the WBCL as contemplated by Section 2.09, the Company shall prepare and file with the SEC, subject to the prior review and approval of Parent and Purchaser (which approval shall not be unreasonably withheld), as soon as practicable after the consummation of the Offer, a preliminary proxy or information statement (the "Preliminary Proxy Statement") relating to the Merger as required by the Exchange Act and the rules and

regulations thereunder, with respect to the transactions contemplated hereby. The Company shall obtain and furnish the information required to be included in the Preliminary Proxy Statement, shall provide Parent and Purchaser with, and consult with Parent and Purchaser regarding, any comments that may be received from the SEC or its staff with respect thereto, shall, subject to the prior review and approval of Parent and Purchaser (which approval shall not be unreasonably withheld), respond promptly to any such comments made by the SEC or its staff with respect to the Preliminary Proxy Statement, shall cause the Proxy Statement to be mailed to the Company's shareholders at the earliest practicable date and shall use its commercially reasonable efforts to obtain the necessary approval of the Merger by its shareholders.

SECTION 6.09 Notification of Certain Matters. The Company shall give prompt notice to Parent and Purchaser, and Parent or Purchaser, as the case may be, shall give prompt notice to the Company, of the occurrence, or non-occurrence, of any event the occurrence, or non-occurrence, of which is likely (a) to cause any representation or warranty of such party contained in this Agreement (disregarding any materiality qualification contained therein) to be untrue or inaccurate in any material respect at or prior to the Effective Time and (b) to result in any material failure of such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied hereunder (including the conditions set forth in Exhibit A); provided, however, that the delivery of any notice pursuant to this Section 6.09 shall not limit or otherwise affect the remedies available hereunder to any of the parties receiving such notice.

SECTION 6.10 Subsequent Filings. Until the Effective Time, the Company will timely file with the SEC each form, report and document required to be filed by the Company under the Exchange Act and will promptly deliver to Parent and Purchaser copies of each such report filed with the SEC. As of their respective dates, none of such reports shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The audited consolidated financial statements and unaudited interim financial statements of the Company included in such reports shall be prepared in accordance with generally accepted accounting principles in the United States applied on a consistent basis (except as may be indicated in the notes thereto) and shall fairly present the financial position of the Company and its consolidated Subsidiaries as at the dates thereof and the results of their operations and changes in financial position for the periods then ended.

SECTION 6.11 Press Releases. Parent, Purchaser and the Company will consult with each other before issuing any press release or otherwise making any public statements with respect to the Offer or the Merger or this Agreement and shall not issue any such press release or make any such public statement prior to such consultation (and affording the other party or parties an opportunity to comment thereon), except as may be required by applicable law or the rules and regulations of The Nasdaq Stock Market, the New York Stock Exchange or other securities stock exchange or other quotation system on which the securities of Parent or the Company are listed or quoted as the case may be.

ARTICLE VII

CONDITIONS TO CONSUMMATION OF THE MERGER

SECTION 7.01 Conditions to Each Party's Obligation to Effect the Merger'. The respective obligations of each party to effect the Merger are subject to the satisfaction or waiver, where permissible, prior to the proposed Effective Time, of the following conditions:

(a) unless the Merger is consummated pursuant to Section 180.1104 of the WBCL as contemplated by Section 2.09, the plan of merger (as such term is used in Section 180.1101 of the WBCL) contained in this Agreement shall have been adopted by the affirmative vote of the shareholders of the Company required by and in accordance with applicable law;

(b) all necessary waiting periods under (i) the HSR Act applicable to the Merger and (ii) any non-United States competition or antitrust laws which Purchaser determines, in its reasonable discretion, are applicable to this Agreement and the transactions contemplated hereby, shall have expired or been terminated;

(c) no statute, rule, regulation, executive order, judgment, decree or injunction shall have been enacted, entered, issued, promulgated or enforced by any court or Governmental Entity against Parent, Purchaser or the Company and be in effect that prohibits or restricts the consummation of the Merger or makes such consummation illegal (each party agreeing to use all commercially reasonable efforts to have such prohibition lifted); and

(d) Purchaser shall have accepted for purchase and paid for the Shares tendered pursuant to the Offer in accordance with the terms of this Agreement (as the same may be amended from time to time).

ARTICLE VIII

TERMINATION; AMENDMENT; WAIVER

SECTION 8.01 Termination. This Agreement may be terminated and the Merger may be abandoned at any time (notwithstanding approval thereof by the shareholders of the Company) prior to the Effective Time (with any termination by Parent also being an effective termination by Purchaser):

(a) by mutual written consent of the Company and Parent;

(b) by Parent or the Company if any court of competent jurisdiction or other Governmental Entity shall have issued an order, decree or ruling, or taken any other action restraining, enjoining or otherwise prohibiting any of the transactions contemplated by this Agreement or the Shareholder Option Agreement and such order, decree, ruling or other action shall have become final and non-appealable;

(c) by the Company if (i) Purchaser fails to commence the Offer in violation of Section 1.01 hereof, (ii) Purchaser shall not have accepted for payment and paid for Shares pursuant to the Offer in accordance with the terms thereof on or before January 10, 2000 or (iii) Purchaser fails to purchase validly tendered Shares in violation of the terms of this Agreement;

(d) by Parent if due to an occurrence or circumstance which would result in a failure to satisfy any of the Offer Conditions, Purchaser shall have (i) not commenced the Offer within the time required by Regulation 14D under the Exchange Act, (ii) terminated the Offer without purchasing any Shares pursuant to the Offer or (iii) failed to accept for payment Shares pursuant to the Offer prior to January 10, 2000;

(e) by the Company, prior to the purchase of Shares pursuant to the Offer, if (i) the Company has complied with its obligations under Section 6.02, (ii) the Company has given Parent and Purchaser at least three business days advance notice of its intention to accept or recommend a Superior Proposal and of all of the terms and conditions of such Superior Proposal, (iii) the Company's Board of Directors, after taking into account any modifications to the terms of the Offer and the Merger proposed by Parent and Purchaser after receipt of such notice, continues to believe such Acquisition Proposal constitutes a Superior Proposal and (iv) the Board of Directors of the Company, after consultation with outside legal counsel to the Company, determines in good faith that failure to do so would result in a breach of the fiduciary duty of the Board of Directors of the Company to the shareholders of the Company under applicable law; provided that the termination described in this Section 8.01(e) shall not
----
be effective unless and until the Company shall have paid to Parent all of the fees and expenses described in Section 8.02 including, without limitation, the Termination Fee; or

(f) by Parent, prior to the purchase of Shares pursuant to the Offer, if the Company breaches any of its covenants in Sections 6.02 or the Board of Directors shall have resolved to effect any of the actions referred to in Section 6.02(d).

SECTION 8.02 Effect of Termination. If this Agreement is terminated
----
and the Merger is abandoned pursuant to Section 8.01 hereof, this Agreement, except for the provisions of Sections 6.03(b), 8.02, 8.03 and Article IX hereof, shall forthwith become void and have no effect, without any liability on the part of any party or its directors, officers, employees or shareholders. Nothing in this Section 8.02 shall relieve any party to this Agreement of liability for any breach of this Agreement.

SECTION 8.03 Fees and Expenses. (a) Whether or not the Merger is
----
consummated, except as otherwise specifically provided herein, all costs and expenses incurred in connection with the Offer, this Agreement and the transactions contemplated by this Agreement shall be paid by the party incurring such expenses.

(b) In the event that this Agreement is terminated pursuant to (i) Section 8.01(e) or 8.01(f) or (ii) Section 8.01(b), 8.01(c)(ii) or 8.01(d) and (in the case of clause (ii) only) either (A) prior to such termination an Acquisition Proposal shall have been made or publicly announced or (B) within 12 months thereafter an Acquisition Proposal shall have been

consummated, then the Company shall reimburse Parent for the out-of-pocket fees and expenses of Parent and the Purchaser (including printing fees, filing fees and fees and expenses of its legal and financial advisors) related to the Offer, this Agreement, the transactions contemplated hereby and any related financing up to a maximum of $750,000 (seven hundred and fifty thousand dollars) (collectively "Expenses") and pay Parent a termination fee of $4,000,000 million (four million dollars) (the "Termination Fee") in immediately available funds by wire transfer to an account designated by Parent. If such amounts become payable pursuant to clause (i) or (ii)(A) of this Section 8.03(b), they shall be payable simultaneously with such termination (in the case of a termination by the Company) or within one business day thereafter (in the case of a termination by Parent). If such amounts become payable pursuant to clause (ii)(B) of this Section 8.03(b), they shall be payable simultaneously with completion of such Acquisition Proposal.

(c) Without limiting other remedies available to Parent or Purchaser under this Agreement or otherwise, in the event this Agreement is terminated pursuant to Section 8.01(c)(ii) or Section 8.01(d) as a result of the failure to satisfy the conditions set forth in paragraph (f) of Exhibit A, then the Company shall promptly (and in any event with one business day after such termination) reimburse Parent for Expenses in immediately available funds by wire transfer to an account designated by Parent.

(d) The prevailing party in any legal action undertaken to enforce this Agreement or any provision hereof shall be entitled to recover from the other party the costs and expenses (including attorneys' and expert witness fees) incurred in connection with such action.

SECTION 8.04 Amendment. To the extent permitted by applicable law, this Agreement may be amended by action taken by or on behalf of the Boards of Directors of the Company, Parent and Purchaser, subject in the case of the Company to Section 1.04(b), at any time before or after adoption of this Agreement by the shareholders of the Company but, after any such shareholder approval, no amendment shall be made which decreases the Merger Consideration or which adversely affects the rights of the Company's shareholders hereunder without the approval of the shareholders of the Company. This Agreement may not be amended, changed, supplemented or otherwise modified except by an instrument in writing signed on behalf of all of the parties.

SECTION 8.05 Extension; Waiver; Remedies. (a) At any time prior to the Effective Time, the parties hereto, by action taken by or on behalf of the respective Boards of Directors of the Company, Parent and Purchaser, subject in the case of the Company to Section 1.04(b), may (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties contained herein by any other applicable party or in any document, certificate or writing delivered pursuant hereto by any other applicable party or (iii) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of any party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

(b) All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any

other such right, power or remedy by such party. The failure of any party hereto to exercise any rights, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such party of its right to exercise any such or other right, power or remedy or to demand such compliance.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01 Survival of Representations and Warranties. The representations and warranties made in Articles IV and V shall not survive beyond the Effective Time. This Section 9.01 shall not limit any covenant or agreement of the parties hereto which by its terms contemplates performance after the Effective Time.

SECTION 9.02 Entire Agreement; Assignment. This Agreement, together with the Disclosure Letter and the Confidentiality Agreement, constitutes the entire agreement between the parties with respect to subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to subject matter hereof. The Agreement shall not be assigned by any party by operation of law or otherwise without the prior written consent of the other parties, provided, that Parent or Purchaser may assign any of their respective rights and obligations to any direct or indirect Subsidiary of Parent, but no such assignment shall relieve Parent or Purchaser, as the case may be, of its obligations hereunder.

SECTION 9.03 Jurisdiction. Each of the parties hereto (a) consents to submit itself to the personal jurisdiction of any New York state court located in the Borough of Manhattan, City of New York or any Federal court located in such Borough in the event any dispute arises out of this Agreement or any transaction contemplated by this Agreement, (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (c) agrees that it will not bring any action relating to this Agreement or any transaction contemplated by this Agreement in any court other than any such court and (d) waives any right to trial by jury with respect to any action related to or arising out of this Agreement or any transaction contemplated by this Agreement. The parties irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the courts of the State of New York located in the Borough of Manhattan, City of New York or in any Federal court located in such Borough, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

SECTION 9.04 Validity. Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction such invalidity, illegality or unenforceability will not affect any other provision or

portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

SECTION 9.05 Notices. All notices, requests, claims, demands and other communications hereunder shall be given (and shall be deemed to have been duly received if given) by hand delivery in writing or by facsimile transmission with confirmation of receipt, as follows:

if to Parent or Purchaser:

United Technologies Corporation
United Technologies Building
1 Financial Plaza
Hartford, Connecticut 06101
Attention: General Counsel
Facsimile: 860-728-7862

and to:

Cleary, Gottlieb, Steen & Hamilton
One Liberty Plaza
New York, New York 10006
Attention: Christopher E. Austin
Facsimile: 212-225-3999

if to the Company:

Cade Industries, Inc.
2365 Woodlake Drive, Suite 120
Okemos, MI 48864

Attention: Richard A. Lund
Facsimile: 517-347-6185

With a copy to:

Quarles & Brady LLP
411 E. Wisconsin Avenue
Milwaukee, WI 53202-4497

Attention: Conrad G. Goodkind
Facsimile: 414-271-3552

or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

SECTION 9.06 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, except in so far as mandatory provisions of the WBCL apply to the Merger.

SECTION 9.07 Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

SECTION 9.08 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Agreement except for Section 6.05 (which is intended to be for the benefit of the Persons referred to therein, and may be enforced by any such Persons).

SECTION 9.09 Counterparts. This Agreement may be executed in counterparts (by facsimile or otherwise), each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

SECTION 9.10 Certain Definitions.

(a) "beneficially owned" or "beneficial ownership" with respect to any securities shall mean having "beneficial ownership" of such securities as determined pursuant to Rule 13d-3 under the Exchange Act.

(b) "Material Adverse Effect" shall mean any material and adverse effect on any of the condition (financial or otherwise), business, properties, assets, liabilities, results of operations or prospects of the Company and its Subsidiaries taken as a whole.

(c) "Person" shall mean any individual, corporation, limited liability company, partnership, association, trust, estate or other entity or organization.

(d) "Subsidiary" shall mean, when used with reference to an entity, any other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions, or a majority of the outstanding voting securities of which, are owned directly or indirectly by such entity.

(e) The term "affiliate" shall have the meaning given to such term in Rule 12b-2 under the Exchange Act.

(f) The term "associate" shall have the meaning given to such term in Rule 12b-2 under the Exchange Act.

(g) The term "hereby" shall be deemed to refer to this Agreement in its entirety, rather than to any Article, Section, or other portion of this Agreement.

(h) The term "including" shall be deemed to be followed by the phrase "without limitation."

(i) The term "the transactions contemplated hereby" shall include the making and consummation of the Offer, the execution of the Shareholder Option Agreement and the exercise by Parent and Purchaser of the Option and the acquisition of Shares pursuant thereto and the exercise by Parent or Purchaser of any other rights thereunder, and consummation of the Merger.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its officers thereunto duly authorized, all at or on the day and year first above written.

UNITED TECHNOLOGIES CORPORATION

By: /s/ KARL J. KRAPEK

Name: Karl J. Krapek
Title: President & Chief Operating Officer

SPHERE CORPORATION

By: /s/ ARI BOUSBIB

Name: Ari Bousbib
Title: President and Director

CADE INDUSTRIES, INC.

By: /s/ RICHARD A. LUND

Name: Richard A. Lund
Title: President and Chief Executive Officer

EXHIBIT A

CONDITIONS TO THE OFFER

Capitalized terms used in this Exhibit A and not otherwise defined herein shall have the meanings assigned to them in the Agreement to which it is attached (the "Merger Agreement").

Notwithstanding any other provision of the Offer, Purchaser shall not be required to accept for payment, purchase or pay for any Shares tendered in connection with the Offer and may terminate or, subject to the terms of the Merger Agreement, amend the Offer, if (i) there shall not be validly tendered and not properly withdrawn prior to the expiration date for the Offer (the "Expiration Date") that number of Shares which, together with any Shares beneficially owned by Purchaser or Parent (including Shares which Purchaser has the immediate right to acquire under the Shareholder Option Agreement), represents at least 75% of the total number of outstanding Shares on a fully diluted basis, (ii) any applicable waiting period under the HSR Act shall not have expired or been terminated, or (iii) at any time on or after the date of the Merger Agreement and prior to the Expiration Date, any of the following conditions exist:

(a) there shall have been any action taken, or any statute, rule, regulation, legislation, interpretation, judgment, order or injunction, proposed, sought, promulgated, enacted, entered, enforced, issued, amended or deemed applicable to Parent, Purchaser, the Company, any other affiliate of Parent or the Company, the Offer or the Merger, that is reasonably likely, directly or indirectly, to (1) make the acceptance for payment of, or payment for or purchase of some or all of the Shares pursuant to the Offer illegal, or otherwise restrict or prohibit or make materially more costly the consummation of the Offer or the Merger, (2) result in a significant delay in or restrict the ability of Purchaser to accept for payment, pay for or purchase some or all of the Shares pursuant to the Offer or to effect the Merger, (3) render Purchaser unable to accept for payment or pay for or purchase some or all of the Shares pursuant to the Offer, (4) impose material limitations on the ability of Parent, Purchaser or any of their respective Subsidiaries or affiliates to acquire or hold, transfer or dispose of, or effectively to exercise all rights of ownership of, some or all of the Shares including the right to vote the Shares purchased by it pursuant to the Offer on an equal basis with all other Shares on all matters properly presented to the Shareholders of the Company, (5) require the divestiture by Parent, Purchaser or any of their respective Subsidiaries or affiliates of any Shares, or require Purchaser, Parent, the Company, or any of their respective Subsidiaries or affiliates to dispose of or hold separate all or any material portion of their respective businesses, assets or properties or impose any material limitations on the ability of any of such entities to conduct their respective businesses or own such assets, properties or Shares or on the ability of Parent or Purchaser to conduct the business of the Company and its Subsidiaries and own the assets and properties of the Company and its Subsidiaries, (6) impose any material limitations on the ability of Parent, Purchaser or any of their respective Subsidiaries or affiliates effectively to control the business or operations of the Company, Parent, Purchaser or any of their respective Subsidiaries or affiliates or (7) otherwise materially adversely affect Parent, Purchaser, the Company or any of their respective Subsidiaries or affiliates, or their business, assets, liabilities, condition (financial or otherwise), results of operations or

prospects, or the value of the Shares or otherwise make consummation of the Offer or the Merger unduly burdensome;

(b) there shall have been threatened, instituted or pending any action, proceeding or counterclaim by or before any Governmental Entity, challenging the making of the Offer or the acquisition by Purchaser of the Shares pursuant to the Offer or the consummation of the Merger, or seeking to obtain any material damages, or seeking to, directly or indirectly, result in any of the consequences referred to in clauses (1) through (7) of paragraph (a) above;

(c) there shall have occurred (1) any general suspension of, or limitation on prices for, trading in securities on any national securities exchange or in the over-the-counter market in the United States, (2) the declaration of any banking moratorium or any suspension of payments in respect of banks or any limitation (whether or not mandatory) on the extension of credit by lending institutions in the United States, (3) the commencement of a war, armed hostilities or any other international or national calamity involving the United States or (4) in the case of any of the foregoing existing at the time of the execution of the Merger Agreement, a material acceleration or worsening thereof;

(d) any Person or "group" (as such term is used in Section 13(d)(3) of the Exchange Act) other than Parent, Purchaser or the Option Grantors or any of their respective affiliates shall have become the beneficial owner (as that term is used in Rule 13d-3 under the Exchange Act) of more than 25% of the outstanding Shares;

(e) there shall have occurred any change, condition, event or development that, individually or in the aggregate, has had or is reasonably likely to have, a Material Adverse Effect;

(f) the Company shall have breached or failed to comply in any material respect with any of its obligations, covenants, or agreements under the Merger Agreement or any representation or warranty of the Company contained in the Merger Agreement that is qualified as to materiality shall not be true and correct, or any such representation or warranty that is not so qualified shall not be true and correct and has had or is reasonably likely to have a Material Adverse Effect, in each case either as of when made or at and as of any time thereafter; or

(g) the Merger Agreement shall have been terminated pursuant to its terms or shall have been amended pursuant to its terms to provide for such termination or amendment of the Offer;

which, in the good faith judgment of Parent or Purchaser, in any case, and regardless of the circumstances (excluding any direct action or inaction by Parent or Purchaser or any of their affiliates which to Parent's and Purchaser's knowledge is reasonably likely to cause any of the above conditions to exist) giving rise to any such condition, makes it inadvisable to proceed with the Offer or with acceptance for payment or payment for Shares.

The foregoing conditions are for the sole benefit of Parent and Purchaser and may be asserted regardless of the circumstances (excluding any direct action or inaction by Parent or

Purchaser or any of their affiliates which to Parent's or Purchaser's knowledge is reasonably likely to cause such condition to exist) or waived by Parent or Purchaser in whole or in part at any time or from time to time in its reasonable discretion subject to the terms and conditions of the Merger Agreement. The failure of Parent or Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed an ongoing right which may be asserted at any time and from time to time. Any determination by Parent or Purchaser concerning the events described above will be final and binding on all parties.

EXHIBIT 99(c)(2)

EXECUTION COPY

SHAREHOLDER OPTION AGREEMENT

SHAREHOLDER OPTION AGREEMENT, dated as of October 21, 1999 (the "Agreement"), among Sphere Corporation, a Wisconsin corporation ("Purchaser"), and the persons listed on Schedule I hereto (each a "Shareholder" and, collectively, the "Shareholders").

R E C I T A L S:

WHEREAS, concurrently with the execution and delivery of this Agreement, Purchaser, United Technologies Corporation, a Delaware corporation ("Parent"), and Cade Industries, Inc., a Wisconsin corporation (the "Company"), are entering into an Agreement and Plan of Merger (the "Merger Agreement"), which provides, among other things, for the acquisition of the Company by Parent by means of a cash tender offer (the "Offer") by Purchaser for all outstanding shares of Common Stock, par value $0.001 per share, of the Company (the "Common Stock") and for the subsequent merger of Purchaser with the Company (the "Merger"), all on the terms and subject to the conditions set forth in the Merger Agreement;

WHEREAS, as an inducement and a condition to entering into the Merger Agreement, Parent and Purchaser have required that the Shareholders agree, and each Shareholder has agreed, to enter into this Agreement; and

WHEREAS, the Board of Directors of the Company has approved this Agreement and the transactions contemplated hereby prior to the date hereof;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the parties hereto agree as follows:

1. Definitions. Terms used and not defined herein, but defined in the Merger Agreement, shall have the respective meanings ascribed to them in the Merger Agreement.

2. Tender of Shares; Agreement to Sell.

(a) In order to induce Parent and Purchaser to enter into the Merger Agreement, each Shareholder hereby agrees to validly tender (or cause the record owner of such shares to validly tender), and not to withdraw, pursuant to and in accordance with the terms of the Offer, not later than the tenth business day after commencement of the Offer, the number of shares of Common Stock set forth opposite such Shareholder's name on Schedule I hereto (the "Existing Shares" and, together with any shares of Common Stock acquired by such Shareholder in any capacity after the date hereof and prior to the termination of this Agreement by means of purchase, dividend, distribution, exercise of options, warrants or other rights to acquire Common Stock or in any other way, the "Shares"), all of which are beneficially owned by Shareholder. If a Shareholder acquires beneficial ownership of Shares after the date hereof and prior to termination of this Agreement, such Shareholder shall tender such Shares on such tenth business day or, if later, on the second business day after such acquisition.

(b) Purchaser shall be entitled to deduct and withhold from the consideration otherwise payable hereunder to a holder of Shares such amounts as are required to be withheld under the Internal Revenue Code of 1986, as amended (the "Code"), or any applicable provision of state, local or foreign tax law, as specified in the Offer Documents. To the extent that amounts are so withheld by Purchaser, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the Shares in respect of which such deduction and withholding was made by Purchaser.

(c) Each Shareholder hereby permits Parent and Purchaser to publish and disclose in the Offer Documents and, if approval of the Company's shareholders is required under applicable law, the Proxy Statement (including all documents and schedules filed with the SEC), such Shareholder's identity and ownership of the Shares and the nature of such Shareholder's commitments, arrangements and understandings under this Agreement; provided that such Shareholder shall have a right to review and comment on such disclosure a reasonable time before it is publicly disclosed.

3. Option. (a) In order to induce Parent and Purchaser to enter into the Merger Agreement, each Shareholder hereby grants to Purchaser an irrevocable option (each, an "Option") to purchase the Shares beneficially owned by such Shareholder (the "Option Shares") at a price equal to $5.05 per Share. Each Option granted by a Shareholder may be exercised in whole at any time prior to the termination of this Agreement and after (i) the occurrence of any event as a result of which Parent is entitled to receive a Termination Fee under the Merger Agreement or (ii) such time as such Shareholder shall have breached in any material respect any of its agreements in Section 2(a), 4(a), 4(b) or 4(d). In the event that any Person (other than Purchaser or any of its affiliates or any Shareholder or any of its affiliates) acquires a majority of the outstanding Shares, prior to the termination of this Agreement, in a tender offer or exchange offer by such Person to acquire, or a merger involving the acquisition of, all outstanding Shares at a consideration per Share in excess of $5.05 , the exercise price for the Option Shares shall be increased by 50% of the amount of such excess. If an Option has been exercised and the Option Shares acquired from a Shareholder by Purchaser prior to such an acquisition, Purchaser shall, within ten days following such date, pay to such Shareholder an amount in cash equal to the amount of such excess multiplied by the number of such Option Shares. If the consideration in such tender or exchange offer or merger includes securities, such securities shall be deemed to have a value equal to the amount that would actually have been received in an orderly sale of such securities commencing on the first business day following actual receipt of such securities, in the written opinion of an investment banking firm of national reputation selected by Purchaser and reasonably satisfactory to the Shareholder.

(b) Each Option that becomes exercisable under Section 3(a) shall remain exercisable until the later of (i) the date that is 90 days after the date such Option becomes exercisable and (ii) the date that is ten days after the date that all waiting periods under the HSR Act required for the purchase of the Shares upon such exercise shall have expired or been terminated; provided, that if at the expiration of such period there shall be in effect any injunction or other order issued by any Governmental Entity prohibiting the exercise of such Option, the exercise period shall be extended until ten days after the date that no such injunction or order is in effect. In the event that Purchaser wishes to exercise an Option, Purchaser shall send a written notice to the applicable Shareholder identifying the place and date (not less than

two (2) nor more than ten (10) business days from the date of the notice) for the closing of such purchase.

4. Additional Agreements.

(a) Each Shareholder shall, at any meeting of the shareholders of the Company, however called, or in connection with any written consent of the shareholders of the Company, vote (or cause to be voted) all Shares then held of record or beneficially owned by such Shareholder, (i) in favor of the Merger, the execution and delivery by the Company of the Merger Agreement and the Company Option Agreement and the approval of the terms thereof and each of the other actions contemplated by the Merger Agreement, the Company Option Agreement and this Agreement and any actions required in furtherance thereof and hereof and (ii) against any proposal relating to an Acquisition Proposal and against any action or agreement that would impede, frustrate, prevent or nullify this Agreement, or result in a breach in any respect of any covenant, representation or warranty or any other obligation or agreement of the Company under the Merger Agreement or the Company Option Agreement or which would result in any of the conditions set forth in Exhibit A to the Merger Agreement or set forth in Article VII of the Merger Agreement not being fulfilled.

(b) Each Shareholder hereby covenants and agrees that, except as contemplated by this Agreement and the Merger Agreement, it shall not (i) offer to transfer (which term shall include, without limitation, any sale, tender, gift, pledge, assignment or other disposition), transfer or consent to any transfer of, any or all of the Shares beneficially owned by such Shareholder or any interest therein without the prior written consent of Purchaser, such consent not to be unreasonably withheld in the case of a gift or similar estate planning transaction (it being understood that Purchaser may decline to consent to any such transfer if the Person acquiring such Shares does not agree to take such Shares subject to the terms of this Agreement), (ii) enter into any contract, option or other agreement or understanding with respect to any transfer of any or all of such Shares or any interest therein, (iii) grant any proxy, power-of-attorney or other authorization or consent in or with respect to such Shares, (iv) deposit such Shares into a voting trust or enter into a voting agreement or arrangement with respect to such Shares or (v) take any other action that would make any representation or warranty of such Shareholder contained herein untrue or incorrect in any material respect or in any way restrict, limit or interfere in any material respect with the performance of its obligations hereunder or the transactions contemplated hereby or by the Merger Agreement or the Company Option Agreement.

(c) Each Shareholder hereby irrevocably grants to, and appoints, Purchaser and any designee of Purchaser, and each of them individually, such Shareholder's proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of such Shareholder, to vote the Shares beneficially owned by such Shareholder, or grant a consent or approval in respect of such Shares, in the manner specified in Section 4(a). Each Shareholder represents that any proxies heretofore given in respect of Shares beneficially owned by such Shareholder are not irrevocable and that any such proxies are hereby revoked. Each Shareholder hereby affirms that the irrevocable proxy set forth in this Section 4(c) is given in connection with the execution of the Merger Agreement and that such irrevocable proxy is given to secure the performance of the duties of such Shareholder under this Agreement. Each Shareholder hereby

further affirms that the irrevocable proxy is coupled with an interest and may under no circumstances be revoked. Each Shareholder hereby ratifies and confirms all that such irrevocable proxy may lawfully do or cause to be done by virtue hereof. Without limiting the generality of the foregoing, such irrevocable proxy is executed and intended to be irrevocable in accordance with the provisions of Section 180.0722 of the WBCL.

(d) Subject to Section 8, each Shareholder hereby agrees that such Shareholder shall not, directly or indirectly, encourage, solicit, initiate or participate in any way in any discussions or negotiations with, or provide any information to, or afford any access to the properties, books or records of the Company or any of its Subsidiaries to, or otherwise take any other action to assist or facilitate, any Person or group (other than Parent or Purchaser or any affiliate or associate of Parent or Purchaser) concerning any Acquisition Proposal. Upon execution of this Agreement, each Shareholder will immediately cease any existing activities, discussions or negotiations conducted heretofore with respect to any Acquisition Proposal. Each Shareholder will immediately communicate to Purchaser the terms of any Acquisition Proposal (or any discussion, negotiation or inquiry with respect thereto) and the identity of the Person making such Proposal or inquiry which it may receive.

(e) Subject to the terms and conditions of this Agreement, each of the parties hereto agrees to use all reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws to consummate and make effective the transactions contemplated by this Agreement. Each party shall promptly consult with the other and provide any necessary information and material with respect to all filings made by such party with any Governmental Entity in connection with this Agreement and the transactions contemplated hereby.

(f) Each Shareholder hereby waives any rights of appraisal or rights to dissent from the Merger that it may have.

5. Representations and Warranties of each Shareholder. Each Shareholder hereby represents and warrants, severally and not jointly, to Purchaser as follows:

(a) Such Shareholder is the record and beneficial owner of the Existing Shares set forth opposite its name on Schedule I. Such Existing Shares constitute all of the Shares owned of record or beneficially owned by such Shareholder on the date hereof. Such Shareholder has sole voting power and sole power to issue instructions with respect to the matters set forth in Sections 2, 3 and 4 hereof, sole power of disposition, sole power to demand and waive appraisal rights and sole power to agree to all of the matters set forth in this Agreement, in each case with respect to all of such Existing Shares with no limitations, qualifications or restrictions on such rights, subject to applicable securities laws and the terms of this Agreement.

(b) Such Shareholder has the power and authority to enter into and perform all of such Shareholder's obligations under this Agreement. This Agreement has been duly and validly executed and delivered by such Shareholder and constitutes a legal, valid and binding agreement of such Shareholder, enforceable against such Shareholder in accordance with its terms. There is no beneficiary or holder of a voting trust certificate or other interest of any trust

of which such Shareholder is a trustee, or any party to any other agreement or arrangement, whose consent is required for the execution and delivery of this Agreement or the consummation by such Shareholder of the transactions contemplated hereby.

(c) Except for filings under the HSR Act and the Exchange Act (i) no filing with, and no permit, authorization, consent or approval of, any Governmental Entity is necessary for the execution and delivery of this Agreement by such Shareholder, the consummation by such Shareholder of the transactions contemplated hereby and the compliance by such Shareholder with the provisions hereof and (ii) none of the execution and delivery of this Agreement by such Shareholder, the consummation by such Shareholder of the transactions contemplated hereby or compliance by such Shareholder with any of the provisions hereof, except in cases in which any conflict, breach, default or violation described below would not interfere with the ability of such Shareholder to perform such Shareholder's obligations hereunder, shall (A) conflict with or result in any breach of any organizational documents applicable to such Shareholder, (B) result in a violation or breach of, or constitute (with or without notice or lapse of time or both) a default (or give rise to any third party right of termination, cancellation, modification or acceleration) under, any of the terms, conditions or provisions of any note, loan agreement, bond, mortgage, indenture, license, contract, commitment, arrangement, understanding, agreement or other instrument or obligation of any kind, including, without limitation, any voting agreement, proxy arrangement, pledge agreement, shareholders agreement or voting trust, to which such Shareholder is a party or by which it or any of its properties or assets may be bound or (C) violate any order, writ, injunction, decree, judgment, order, statute, rule or regulation applicable to such Shareholder or any of its properties or assets.

(d) Except as permitted by this Agreement, the Existing Shares beneficially owned by such Shareholder and the certificates representing such shares are now, and at all times during the term hereof will be, held by such Shareholder, or by a nominee or custodian for the benefit of such Shareholder, free and clear of all liens, proxies, voting trusts or agreements, understandings or arrangements or any other rights whatsoever, except for any such liens or proxies arising hereunder. The transfer by such Shareholder of the Shares to Purchaser in the Offer or hereunder shall pass to and unconditionally vest in Purchaser good and valid title to all Shares, free and clear of all liens, proxies, voting trusts or agreements, understandings or arrangements or any other rights whatsoever.

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

6. Stop Transfer. Each Shareholder shall request that the Company not register the transfer (book-entry or otherwise) of any certificate or uncertificated interest representing any of the Shares beneficially owned by such Shareholder, unless such transfer is made in compliance with this Agreement.

7. Termination. This Agreement shall terminate with respect to any Shareholder upon the earliest of (a) the Effective Time, (b) April 30, 2000 or, if the Option is exercisable at

April 30, 2000, such later date as the Option shall no longer be exercisable in accordance with Section 3(b) and (c) the termination of the Merger Agreement (unless, in the case of this clause (c), Parent is or may be entitled to receive a Termination Fee under the Merger Agreement following such termination or prior to such termination such Shareholder has breached in any material respect Section 2(a), 4(a), 4(b) or 4(d)).

8. No Limitation. Notwithstanding any other provision hereof, nothing in this Agreement shall be construed to prohibit a Shareholder, or any officer or affiliate of a Shareholder who is or has designated a member of the Board of Directors of the Company, from taking any action solely in his or her capacity as a member of the Board of Directors of the Company or from exercising his or her fiduciary duties as a member of such Board of Directors to the extent specifically permitted by the Merger Agreement.

9. Miscellaneous. (a) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersede all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

(b) This Agreement shall not be assigned by operation of law or otherwise without the prior written consent of each Shareholder (in the case of any assignment by Purchaser) or Purchaser (in the case of an assignment by a Shareholder), provided that Purchaser may assign its rights and obligations hereunder to Parent or any direct or indirect Subsidiary of Parent, but no such assignment shall relieve Purchaser of its obligations hereunder.

(c) Without limiting any other rights Purchaser may have hereunder in respect of any transfer of Shares, each Shareholder agrees that this Agreement and the obligations hereunder shall attach to the Shares beneficially owned by such Shareholder and shall be binding upon any Person to which legal or beneficial ownership of such Shares shall pass, whether by operation of law or otherwise, including, without limitation, such Shareholder's heirs, guardians, administrators or successors.

(d) This Agreement may not be amended, changed, supplemented or otherwise modified with respect to a Shareholder except by an instrument in writing signed on behalf of such Shareholder and Purchaser.

(e) All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly received if given) by hand delivery or by facsimile transmission with confirmation of receipt, as follows:

If to a Shareholder:

At the addresses and facsimile numbers set forth on Schedule I hereto.

With a copy to:

Quarles & Brady LLP
411 E. Wisconsin Avenue
Milwaukee, WI 53202-4497

Attention: Conrad G. Goodkind
Facsimile: 414-271-3552

If to Parent or Purchaser:

United Technologies Corporation
United Technologies Building
1 Financial Plaza
Hartford, Connecticut 06101

Attention: General Counsel
Facsimile No.: 860-728-7862

With a Copy to:

Cleary, Gottlieb, Steen & Hamilton
One Liberty Plaza
New York, New York 10006
Attention: Christopher E. Austin
Facsimile No.: (212) 225-3999

or to such other address or facsimile number as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

(f) Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction such invalidity, illegality or unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

(g) All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

(h) The failure of any party hereto to exercise any rights, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such party of its right to exercise any such or other right, power or remedy or to demand such compliance.

(i) This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Agreement.

(j) This Agreement shall be governed and construed in accordance with the laws of the State of New York.

(k) The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any New York state court located in the Borough of Manhattan, City of New York or any Federal court located in such Borough, this being in addition to any other remedy to which they are entitled at law or in equity. In addition, each of the parties hereto (A) consents to submit itself to the personal jurisdiction of any New York state court located in the Borough of Manhattan, City of New York or any Federal court located in such Borough in the event any dispute arises out of this Agreement or any transaction contemplated by this Agreement, (B) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (C) agrees that it will not bring any action relating to this Agreement or any transaction contemplated by this Agreement in any court other than any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the courts of the State of New York located in the Borough of Manhattan, City of New York or in any Federal court located in such Borough, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

(l) The descriptive headings used herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

(m) This Agreement may be executed in counterparts (by fax or otherwise), each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

(n) Except as otherwise provide herein, each party shall pay its, his or her own expenses incurred in connection with this Agreement.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Purchaser and the Shareholders have caused this Agreement to be duly executed in multiple counterparts as of the day and year first above written.

SPHERE CORPORATION

By: /S/ ARI BOUSBIB

Name: Ari Bousbib
Title: President and Director

IN WITNESS WHEREOF, Purchaser and the Shareholders have caused this Agreement to be duly executed in multiple counterparts as of the day and year first above written.

/s/ MOLLY F. CADE

Molly F. Cade

/s/ CONRAD G. GOODKIND

Conrad G. Goodkind

/s/ WILLIAM T. GROSS

William T. Gross

/s/ RICHARD A. LUND

Richard A. Lund

/s/ JOSEPH R. O'GORMAN

Joseph R. O'Gorman

/s/ TERRELL L. RUHLAM

Terrell L. Ruhlman

/s/ JOHN W. SANFORD

John W. Sanford

SCHEDULE I

NAME, FACSIMILE NUMBER AND ADDRESS OF SHAREHOLDER	NUMBER OF SHARES OF COMMON STOCK BENEFICIALLY OWNED
Molly F. Cade c/o Cade Industries, Inc. 2365 Woodlake Drive, Suite 120 Okemos, MI 48864 Facsimile: 517-347-6185	4,727,742
Conrad G. Goodkind Quarles & Brady LLP 411 E. Wisconsin Avenue Milwaukee, WI 53202-4497 Facsimile: 414-271-3552	355,300
William T. Gross c/o Cade Industries, Inc. 2365 Woodlake Drive, Suite 120 Okemos, MI 48864 Facsimile: 517-347-6185	60,000
Richard A. Lund c/o Cade Industries, Inc. 2365 Woodlake Drive, Suite 120 Okemos, MI 48864 Facsimile: 517-347-6185	381,184
Joseph R. O'Gorman c/o Cade Industries, Inc. 2365 Woodlake Drive, Suite 120 Okemos, MI 48864 Facsimile: 517-347-6185	70,000
Terrell L. Ruhlman c/o Cade Industries, Inc. 2365 Woodlake Drive, Suite 120 Okemos, MI 48864 Facsimile: 517-347-6185	318,000
John W. Sandford c/o Cade Industries, Inc. 2365 Woodlake Drive, Suite 120 Okemos, MI 48864 Facsimile: 517-347-6185	176,970 --------- 6,088,723

EXHIBIT 99.(c)(3)

September 22, 1999

United Technologies Corporation
400 Main Street
East Hartford, CT 06108

Dear Sirs or Madams:

You have requested information from Cade Industries, Inc. and its subsidiaries (the "Company") and affiliates in connection with your consideration of a possible negotiated strategic transaction between you and the Company (the "Transaction"). As a condition to the Company furnishing such information to you, we are requiring that you agree, as set forth below, to treat confidentially such information and any other information that the Company, its agents or representatives (including attorneys and financial advisors) furnish to you or your directors, officers, employees, agents, advisors, prospective bank or institutional lenders, affiliates or representatives of you agents, advisors or prospective lenders (all of the foregoing collectively referred to as "Representatives"), furnished after the date of this letter, and all notes, analyses, compilations, studies, files or other documents or material, whether prepared by you or others, which contain or otherwise reflect such information (collectively, the "Evaluation Material").

The terms "Evaluation Material" does not include information which (i) was in the public domain at the time of disclosure hereunder or becomes generally available to the public other than as a result of a disclosure by you or your Representatives in violation of this Agreement, (ii) was available to you on a non-confidential basis prior to its disclosure to you by the Company, its representatives or its agents, (iii) becomes available to you on a non-confidential basis from a source other than the Company, its representatives or its agents, provided that such source is not to your knowledge bound by a confidentiality agreement with the Company, its representatives or its agents or otherwise prohibited from transmitting the information to you or your Representatives by a contractual, legal or fiduciary obligation; or (iv) is independently developed by you without use of the Evaluation Materials.

It is understood that you may disclose any of the Evaluation Material to those of your Representatives who require such material for the purpose of evaluating a possible Transaction provided that such Representatives shall be informed by you of the confidential nature of the Evaluation Material and provided further that you shall not disclose the Evaluation Material to any of your Representatives who are employed by Pratt & Whitney Engine Services, except you may disclose the Evaluation Material to such employees who are directly involved in review of a possible transaction on a need to know basis only, so long as all competition-sensitive information on customers and pricing is deleted from the materials they receive. You

agree that the Evaluation Material will be kept confidential by you and your Representatives and, except with the specific prior written consent of the Company or as expressly otherwise permitted by the terms hereof, will not be disclosed by you or your Representatives. You further agree that you and your Representatives will not use any of the Evaluation Material for any reason or purpose other than to evaluate a possible Transaction. You shall be deemed to have satisfied the above obligations by using the same degree of care that you use to protect your own information of like nature, provided that such degree of care is at least reasonable care.

Without the other party's prior written consent, neither party (i.e., neither the Company and its agents nor you and your Representatives) will disclose to any person (subject to the preceding paragraph) (1) the fact that the Evaluation Material has been made available to you or that you have inspected any portion of the Evaluation Material, (2) the fact that any discussions or negotiations are taking place concerning a possible Transaction, or (3) any of the terms, conditions or other facts with respect to any possible Transaction, including the status thereof, unless and only to the extent that such disclosure (after making reasonable efforts to avoid such disclosure and, to the extent practicable, after advising and consulting with the Company about your intent to make, and the proposed contents of, such disclosure) is, in the written opinion of your counsel, required by applicable United States securities laws. The term "person" as used in this letter shall be broadly interpreted to include without limitation any corporation, company, partnership and individual.

In the event that you or any of your Representatives are requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any of the Evaluation Material, it is agreed that you or such Representative, as the case may be, will, to the extent practicable, provide the Company with prompt notice of such request(s) so that it may seek an appropriate protective order or other appropriate remedy and/or waive your or such Representative's compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or that the Company grants a waiver hereunder, you or such Representative may furnish that portion (and only that portion) of the Evaluation Material which, in the written opinion of your counsel, you are legally compelled to disclose and will exercise your best efforts to obtain reliable assurance that confidential treatment will be accorded any Evaluation Material so furnished.

In addition, you hereby acknowledge that you are aware (and that your Representatives who are apprised of this matter have been or will be advised) that the United States securities laws restrict persons with material non-public information about a company obtained directly or indirectly from that company from purchasing or selling securities of such company, or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

In view of the fact that the Evaluation Material consists of confidential and non-public information, you agree that for a period from the date of this Agreement to the earliest of (i) one year from the date of this Agreement, (ii) the date upon which the Company publicly

announces its intention to enter into a Business Combination (as defined below) with a third party or publicly announces an agreement to enter into a Business Combination with a third party, and (iii) the date upon which a third party publicly announces a definitive proposal for or an offer for a Business Combination with the Company or publicly announces an agreement to enter into a Business Combination with the Company, neither you nor any of your affiliates, alone or with others, will in any manner (1) acquire, agree to acquire, or make any proposal (or request permission to make any proposal) to acquire any securities (or direct or indirect rights, warrants or options to acquire any securities) or property of the Company (other than property transferred in the ordinary course of the Company's business), unless such acquisition, agreement or making of a proposal shall have been expressly first approved (or in the case of a proposal, expressly first invited) by the Company's Board of Directors, (2) solicit proxies from shareholders of the Company or otherwise seek to influence or control the management or policies of the Company or (3) assist (including by knowingly providing or arranging financing for that purpose) any other person in doing any of the foregoing.

If the Company (i) has in effect on the date hereof any agreement, or within one year of the date hereof enters into or amends any agreement, relating to the provision of information in connection with a possible merger or sale of all or a substantial portion of its assets or a majority of its outstanding stock, or any form of significant business combination involving the Company or any of its significant subsidiaries (a "Business Combination") or (ii) provides such information in the absence of such an agreement, and such agreement or the provision of such information does not contain a term substantially identical to the preceding paragraph or includes a shorter time period or terms that are otherwise less restrictive than those applicable to you hereunder, then the preceding paragraph shall automatically be amended with respect to each such agreement or amendment or provision of information so that such shorter time period and less restrictive terms (or the absence of any such terms) are applicable to you. The Company agrees to notify you promptly of the occurrence and terms of any such automatic amendment. In addition, in the event that at any time within one year of the date hereof (i) the Company invites or authorizes any other person or entity to submit a definitive proposal with respect to a Business Combination, which proposal is to be considered at a meeting of the board of the directors of the Company or (ii) a meeting of the board of directors of the Company is called to consider any uninvited or unauthorized definitive proposal for a Business Combination, the Company agrees, with respect to each party other than you who submits such a definitive proposal, to give you reasonably prompt notice of the date of the relevant meeting as circumstances dictate (which notice shall be no later than three business days before such a meeting if you and the Company at the time of such a meeting are engaged in active negotiations with respect to the Transaction) and agrees that you may make a proposal for a Business Combination, which proposal will be considered at the same meeting of the board of directors of the Company.

Without the prior consent of the Chief Executive Officer or Treasurer, (1) neither you nor those of your Representatives who are aware of the Evaluation Material and/or the possibility of a Transaction will initiate or cause any communications with any employee of the

Company other than the Chief Executive Officer or Treasurer of the Company concerning the Evaluation Material or any possible Transaction and (2) none of your officers or employees who are aware of the Evaluation Material and/or the possibility of a Transaction will, for the one-year period from the date of this letter agreement, solicit or cause to be solicited the employment of any employee of the Company identified through the Evaluation Materials; provided, however, that the foregoing provision will not prevent you from employing any such person (i) who initiates contact with you without any direct or indirect solicitations by or encouragement from any such officer or employee or (ii) who responds to a general advertisement or solicitation.

If you decide that you do not wish to proceed with a Transaction, you will promptly inform the Chief Executive Officer of the Company of that decision. In that case, or upon our written request, you will promptly deliver to the Company all documents or other matter furnished by the Company to you or your Representatives constituting Evaluation Material, together with all copies thereof in the possession of you or your Representatives. In the event of such decision or request, all other documents or other matter constituting Evaluation Material in your possession or that of your Representatives will be destroyed, with any such destruction confirmed by you in writing to the Company.

Although you understand that the Company has endeavored to include in the Evaluation Material information known to it and which it believes to be relevant for the purpose of your investigation, you understand that neither the Company nor its agents or its representatives makes any representation or warranty as to the accuracy or completeness of the Evaluation Material. Only those representations and warranties that may be made to you or your affiliates in a definitive written agreement for a Transaction, when, as and if executed and subject to such limitations and restrictions as may be specified therein, shall have any legal effect, and you agree that if you determine to engage in a Transaction such determination will be based solely on the terms of such written agreement and on your own investigation, analysis and assessment of the business to be acquired. Moreover, unless and until such a definitive written agreement is entered into, neither the Company nor you will be under any legal obligation of any kind whatsoever with respect to such a Transaction except for the matters specifically agreed to in this Agreement. The agreements set forth in this Agreement may be modified or waived only by a separate writing signed by the Company and you expressly so modifying or waiving such agreements.

The Company and you agree to indemnify and hold harmless the other party from any damage, loss, cost or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from any breach of this agreement. The Company and you acknowledge that money damages would be both incalculable and an insufficient remedy for any breach of this Agreement and that any such breach would cause the other party irreparable harm. Accordingly, each party agrees that in the event of any breach or threatened breach of this Agreement, the other party, in addition to any other remedies at law or in equity it may have, shall be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance.

It is understood and agreed that no failure or delay by you or the Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect.

You agree and consent to personal jurisdiction, service and venue in any federal or state court within the State of Wisconsin having subject matter jurisdiction, for the purposes of any action, suit or proceeding arising out of or relating to this Agreement. This Agreement shall be governed by and construed in accordance with the substantive provisions of the corporate statutory laws of the State of Wisconsin and, as such law supplement s but does not conflict with the corporate statutory laws of the State of Wisconsin, the laws of the Sate of New York.

If you are in agreement with the foregoing, please sign and return one copy of this letter, which thereupon will constitute our Agreement with respect to the subject matter hereof.

Very truly yours,

Richard A. Lund
President and Chief Executive Officer

Confirmed and agreed to as of
the date first above written:

United Technologies Corporation

By: /S/ ARI BOUSBIB

Its: Vice President
