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U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

16-7-98



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Tab settings → → → ▼

To the Honorable Commissioner of Patents and Trademarks

with 2 attached original documents or copy thereof

MEDA-7-98

1. Name of conveying party(ies):

Hanlon & Goodman, Inc.,  
f/k/a Hanlon Acquisitions, Inc.

- Individual(s)
- General Partnership
- Corporation-State Delaware
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached?  Yes  No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: August 11, 1998

2. Name and address of receiving party(ies):

Name: Bestt Liebco Corporation

Internal Address: Attn: President

Street Address: 1201 Jackson Street

City: Philadelphia State: PA ZIP: 19148

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Delaware
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No

(Designations must be a separate document from Assignment)

Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark registration No.(s)

847,364

Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Cravath, Swaine & Moore

Internal Address:

Attn: Richard A. Hall

Street Address: Worldwide Plaza

825 Eighth Avenue

City: New York State: NY ZIP: 10019

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41): \$ 40.

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

10/13/1998 FORM 1 00000264 047364

DO NOT USE THIS SPACE

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40.00 BP

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

E. Michael Karol

Name of Person Signing

Signature

10/1/98

Date

Total number of pages comprising cover sheet

1

TRADEMARK  
REEL: 1798 FRAME: 0895

## ASSET PURCHASE AND ASSUMPTION AGREEMENT

THIS IS AN ASSET PURCHASE AND ASSUMPTION AGREEMENT dated as of August 11, 1998 (the "Agreement") by and between Hanlon & Goodman, Inc., a Delaware corporation ("H&G") and Bestt Liebco Corporation, a Delaware corporation ("Bestt Liebco") and an indirectly wholly-owned subsidiary of Purdy Corporation, an Oregon corporation ("Purdy").

### Background

A. Bessemer Holdings, L.P., a Delaware limited partnership, Purdy and the Stockholders of Purdy are parties to an Agreement and Plan of Recapitalization dated June 18, 1998 (the "Recapitalization Agreement"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Recapitalization Agreement.

B. Pursuant to the Recapitalization Agreement, Acquiror and Purdy contemplate that H&G and Bestt Liebco will enter into this Agreement and Bestt Liebco will purchase and assume certain assets and liabilities of H&G.

### Terms

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, intending to be legally bound hereby, the parties hereto agree as follows:

#### 1. Purchase of Assets.

(a) In consideration of the payment by Bestt Liebco to H&G of an amount which together with the amount due under the RAF Purchase and Assumption Agreement, equals an aggregate of \$45,000,000 by delivery of a promissory note substantially in the form of Exhibit A hereto, H&G hereby transfers, grants, conveys, assigns and delivers to Bestt Liebco all of its right, title and interest in and to the H&G Assets (as defined below), effective as of 8:00 a.m., New York time, on the Closing Date.

(b) The "H&G Assets" means all the right, title and interest of H&G in the business, properties, assets, goodwill and rights of whatever kind and nature, real, personal or mixed, tangible or intangible, whether or not any of such assets have any value for accounting purposes or are carried or reflected on or referred to in the books or financial statements of H&G, that are owned, leased or licensed by H&G on the Closing Date, other than the Excluded Assets (as defined below), including:

(i) all raw materials, work-in-process, finished goods, supplies, parts, spare parts and other inventories of H&G (including in transit, on consignment or in the possession of any third party) on the Closing Date;

(ii) all accounts receivable of H&G on the Closing Date;

(iii) all right, title and interest of H&G in and to (A) the Intellectual Property, and (B) all other patents, patent applications, copyright registrations and applications therefor, other copyrights, trademarks, service marks, trade names and registrations thereof and applications therefor, and all rights to any of the foregoing;

(iv) all trade secrets, confidential information, inventions, know-how, formulae, processes, procedures, research records, records of inventions, test information, market surveys and marketing know-how of H&G;

(v) all contracts to which H&G is a party or by which H&G is bound that are listed on Schedule 3.8 or 3.10 of the Schedules, and all other contracts (including purchase orders and sales orders) to which H&G is a party or by which H&G is bound;

(vi) all books of account, ledgers, general, financial, accounting and personnel records, files, invoices, customers' and suppliers' lists, other distribution lists, billing records, sales and promotional literature, manuals, customer and supplier correspondence (in all cases, in any form or medium), of H&G; and

(vii) all goodwill generated by or associated with H&G.

(c) The term "Excluded Assets" means:

(i) all accounts receivable of H&G from Fox, any other Stockholder, any other member of the Fox family or any Affiliate of any of the foregoing other than the Company;

(ii) all cash and cash equivalents of H&G;

(iii) all rights, claims and credits of H&G to the extent relating to any other Excluded Asset or any Excluded Liability (as defined below), including any such items arising under insurance policies and all guarantees, warranties, indemnities and similar rights in favor of H&G in respect of any other Excluded Asset or any Excluded Liability; and

(iv) all rights of H&G under this Agreement and the other agreements and instruments executed and delivered in connection with this Agreement.

## 2. Consents of Third Parties.

(a) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any asset or any claim or right or any benefit arising under or resulting from such asset, or an obligation to assume any liability, in an attempted assignment or assumption thereof, without the consent of a third party, would constitute a breach or other contravention of the rights of such third party, would be ineffective

with respect to any party to such asset (if an agreement) or to an agreement concerning such asset, or would in any way materially adversely affect the rights of H&G or, upon transfer, Bestt Liebco under such asset. If any transfer or assignment by H&G to, or any assumption by Bestt Liebco of, any interest in, or liability, obligation or commitment under, any asset requires the consent of a third party, then such assignment or assumption shall be made subject to such consent being obtained. Subject to the last sentence of Section 2(b), to the extent any contract may not be assigned to Bestt Liebco by reason of the absence of any such consent, Bestt Liebco shall not be required to assume any Assumed Liabilities arising under any such contract.

(b) If any such consent is not obtained prior to the Closing, H&G and Bestt Liebco shall cooperate in any lawful and reasonable arrangement reasonably proposed by Bestt Liebco under which Bestt Liebco shall obtain the economic claims, rights and benefits under the asset, claims or right with respect to which the consent has not been obtained in accordance with this Agreement. Such reasonable arrangement may include (i) the subcontracting, sublicensing or subleasing to Bestt Liebco of any and all rights of H&G against the other party to such third-party agreement arising out of the breach or cancellation thereof by the other party, and (ii) the enforcement by H&G of such rights on behalf of Bestt Liebco. Nothing in this Section shall require the expenditure of an unreasonable amount of funds or the incurrence of unreasonable liability by H&G. To the extent any such arrangement results in Bestt Liebco obtaining the economic claims, rights and benefits under any contract not assigned because of lack of consent, Bestt Liebco shall be responsible for the Assumed Liabilities thereunder.

### 3. Assumption of Liabilities.

(a) Bestt Liebco hereby assumes and undertakes to timely pay, perform and discharge, in accordance with and subject to their respective terms, all of the H&G Liabilities, effective as of 8:00 a.m., New York time, on the Closing Date.

(b) The "H&G Liabilities" means all debts, obligations and liabilities of H&G, whether known or unknown, absolute or contingent, liquidated or unliquidated, mature or unmatured, arising prior to the Closing including, without limitation, those reflected as "Current Liabilities," "Affiliate Payables," "Disqualified Obligations" or "Debt" on the Closing Statement, other than any Excluded Liability.

(c) Notwithstanding any other provision of this agreement, Bestt Liebco shall not assume any of the following liabilities, obligations and commitments of H&G (the "Excluded Liabilities"), all of which shall be retained and paid, performed and discharged when due by H&G:

(i) any liability, obligation or commitment of H&G that relates primarily to, or that arises primarily out of, any Excluded Asset, or that arises out of the ownership of H&G of the Excluded Assets or associated with the realization of the benefits of any Excluded Asset; and

(ii) any liability, obligation or commitment for Taxes, whether or not accrued, assessed or currently due and payable, of H&G (including as a result of the transactions contemplated by this Agreement) except to the extent reflected on the Closing Statement.

4. Limitations. H&G MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE WITH RESPECT TO THE MATTERS CONTEMPLATED HEREBY OR WITH RESPECT TO ANY ASSET TO BE CONVEYED HEREUNDER. ALL WARRANTIES BY H&G (WHETHER WRITTEN OR ORAL, EXPRESS OR IMPLIED) WITH REGARD TO MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION OR DESIGN ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE OR OTHERWISE ARE EXPRESSLY EXCLUDED. THE PARTIES AGREE THAT THE ASSETS, INCLUDING THE CONTRACTS, ARE BEING TRANSFERRED TO BESTT LIEBCO IN AN "AS IS, WHERE IS" CONDITION WITH ALL OF THEIR FAULTS.

5. Further Assurances.

(a) At 8:00 a.m., New York time, on the Closing Date, H&G shall deliver to Bestt Liebco separate assignments, each dated the Closing Date, in registrable form and otherwise in form and substance reasonably satisfactory to Acquiror, and duly executed in the form and manner appropriate for registration in the applicable jurisdiction, for each registered patent, trademark or copyright or application therefor included in the H&G Assets.

(b) From and after the Closing, Bestt Liebco shall have the right and authority to collect for its own account all accounts receivable and other related items that are included in the H&G Assets. H&G shall promptly deliver (and endorse as necessary) to Bestt Liebco any cash or other property received directly or indirectly by it with respect to any such receivables and such other related items, including any amounts payable as interest.

(c) H&G hereby covenants that, from time to time after the delivery of this instrument, at Bestt Liebco's request, H&G will do, execute, acknowledge, and deliver, or will cause to be done, executed, acknowledged and delivered, such further acts, conveyances, transfers, assignments, powers of attorney and assurances as Bestt Liebco may require to convey, transfer to and vest in Bestt Liebco, and to put Bestt Liebco in possession of, any of the H&G Assets.

6. Recapitalization Agreement Controls. This Agreement is not intended to modify, enlarge or restrict the rights and obligations of the parties to the Recapitalization Agreement, and, to the extent that any provision of this Agreement is inconsistent with the Recapitalization Agreement, the provisions of the Recapitalization Agreement will control.

7. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

8. Notice. Any notice, request, instruction, or other document to be given hereunder by any party hereto to any other party shall be in writing and shall be given (and will be deemed to have been duly given upon receipt) by delivery in person, by electronic facsimile transmission, cable, telegram, telex, or other standard forms of written telecommunications, by overnight courier or by registered or certified mail, postage prepaid.

if to H&G, to:

Hanlon & Goodman, Inc.  
c/o RAF Industries, Inc.  
165 Township Line Road  
Suite 2100  
Jenkintown, PA 19046  
Attention: Robert A. Fox and  
Richard M. Horowitz  
Telecopy: (215) 576-1640

with a copy to:

Dechert Price & Rhoads  
4000 Bell Atlantic Tower  
1717 Arch Street  
Philadelphia Pennsylvania 19103-2793  
Attention: Henry N. Nassau  
Telecopy: (215) 994-2222

if to Bestt Liebco, to:

Bestt Liebco Corporation  
c/o Bessemer Holdings, L.P.  
630 Fifth Avenue; 39<sup>th</sup> Floor  
New York, NY 10111  
Attention: Robert D. Lindsay  
Telecopy: (212) 969-9032

with a copy to:

Cravath, Swaine & Moore  
Worldwide Plaza  
825 Eighth Avenue  
New York, NY 10019  
Attention: Richard A. Hall  
Telecopy: (212) 474-3700

or at such other address for a party as shall be specified by like notice.

9. Governing Law; Consent to Jurisdiction. This Agreement shall be construed in accordance with and governed by the laws of the State of New York applicable to agreements made and to be performed wholly within that jurisdiction. Each party hereto, for itself and its successors and assigns, irrevocably agrees that any suit, action or proceeding arising out of or relating to this Agreement shall be instituted only in (a) the United States District Court for the Eastern District of Pennsylvania, United States of America or in the absence of jurisdiction, the Court of Common Pleas of Pennsylvania located in Philadelphia, Pennsylvania, or (b) the United States District Court for the Southern District of New York, United States of America or in the absence of jurisdiction, the Supreme Court of the State of New York, New York County, and generally and unconditionally accepts and irrevocably submits to the exclusive jurisdiction of the aforesaid courts and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available in connection with this Agreement. Each party, for itself and its successors and assigns, irrevocably waives any objection it may have now or hereafter to the laying of the venue of any such suit, action or proceeding, including, without limitation, any objection based on the grounds of *forum non conveniens*, in the aforesaid courts. Each of the parties, for itself and its successors and assigns, irrevocably agrees that all process in any such proceedings in any such court may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to him or it at his or its address set forth in Section 8 hereof or at such other address of which the other parties shall have been notified in accordance with the provisions of Section 8 hereof, such service being hereby acknowledged by the parties to be effective and binding service in every respect. Nothing herein shall affect the right to serve process in any other manner permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BESTT LIEBCO CORPORATION

By: Rodney A Cohen  
Name: RODNEY A. COHEN  
Title: VICE PRESIDENT

HANLON & GOODMAN, INC.

By: Thomas J Teesdale  
Name: THOMAS J. TEESDALE  
Title: PRESIDENT