

FORM PTO-159 (modified) 08/21/92



COVER SHEET S ONLY

U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

11/10/98

100877869

To the Honorable Assistant Secretary and Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies) thereof.

1. Name of conveying party(ies):
Altare Computer, Inc

Individual(s) Association
 General Partnership Limited Partnership (Florida)
 Corporation-State/California
 Other
Additional name(s) of conveying party(ies) attached?
 Yes or No?

2. Name and address of receiving party(ies):
Name: Allen Systems Group, Inc.
Street Address: 1333 3rd Avenue South
Naples, FL 34102

Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership (Florida)
 Corporation (Delaware)
 Other
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes or No?
(Designations must be a separate document from Assignment)
Additional name(s) & address(es) attached? Yes or No?

3. Nature of conveyance:
 Assignment of Interest Merger
 Security Agreement Change of Name
 Other (Articles of Amendment to the Articles of Incorporation)
Execution Date

Application number(s) or registration number(s): Attorney Docket No.:

A. Trademark Application No.(s):
B. Trademark Registration No.(s)
1,730,799

Additional numbers attached? Yes or No?

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Heidi Tandy c/o Ruden McClosky Smith Schuster & Russell, P.A.
Internal Address: 200 E. Broward Blvd
Street Address: Suite 1500
City: Ft. Lauderdale State: FL ZIP: 33301

6. Total number of applications and registrations involved: One (1)

7. Total fee (37 C.F.R. § 3.41). \$ 40.00
 Enclosed
 Authorized any deficiency to be charged to deposit account

8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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.
Thomas J. MacElroy, Jr November 6, 1998
Name of Person Signing Signature Date
Total number of pages including cover sheet(s):

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information:

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made as of the 31st day of May, 1995 between ALLEN SYSTEMS GROUP, INC., a Delaware corporation, having its principal place of business at 750 11th Street S., Naples, Florida 33940 ("Purchaser"), and ALTARE COMPUTER, INC., a California corporation, having its principal place of business at 60 S. Market Street, Second Floor, San Jose, California 95113 ("Seller").

W I T N E S S E T H :

WHEREAS, Seller owns and desires to sell to Purchaser certain Assets (as defined herein) and Purchaser desires to purchase such Assets from Seller and, thereafter, to use, market, license, sublicense, develop, maintain, collect and otherwise deal with the Assets without restriction;

NOW, THEREFORE, in consideration of the respective representations and warranties hereinafter set forth and of the mutual covenants and agreements contained herein, the parties agree as follows:

ARTICLE 1
DEFINITIONS

As used herein, the following terms shall have the following meanings:

1.1 "Assets" shall mean and include the following:

(a) The Enhancements, constituting part of the Software described in Exhibit 1 annexed hereto.

(b) All license, maintenance and other agreements with customers of Seller relating to the Software in effect on and after the Effective Date, as set forth on Exhibit 2 annexed hereto.

(c) A list of all trials and present prospects for the Software, and customers who have ceased using the Software or the services of Seller related to the Software, as set forth on Exhibit 3 annexed hereto.

(d) The right to solicit for employment any of the persons described in Exhibit 4 annexed hereto.

(e) All patents, patent rights, trademark, trademark rights, tradenames, tradename rights, copyrights and applications for patents, trademarks, tradenames and copyrights relating solely to the Software, all as described on Exhibit 5 annexed hereto.

(f) Copies of all Seller's business records that relate to the marketing, licensing, distribution, maintenance,

support or enhancement of the Software (but not its corporate or tax records).

(g) All of Seller's equipment and furniture, including computer hardware and software, furniture, fixtures and supplies, as described on Exhibit 6 annexed hereto.

(h) All of Seller's accounts receivable as of the Effective Date, as described on Exhibit 7 annexed hereto (the "Receivables"), subject to adjustment in accordance with Section 2.7 below.

(i) The interests of Seller as lessee under the lease of real property and as purchaser under the installment purchase of equipment described on Exhibit 8 annexed hereto; provided, however, that, notwithstanding any provision to the contrary herein, Seller may in its sole discretion elect prior to the Closing to rent (rather than sell) said equipment to Purchaser pursuant to the rental terms set forth on Exhibit 8.

(j) The interests of Seller under the distribution and sales representation agreements described on Exhibit 9 annexed hereto.

(k) All of Sellers' prepaid expenses and deposits with respect to the Assets (the "Prepaid Amounts"), as described on Exhibit 10 annexed hereto.

1.2 "Closing" shall mean the consummation of the transactions contemplated by this Agreement, which shall occur at the offices of Cohen & Ostler, A Professional Corporation, 525 University Avenue, Suite 410, Palo Alto, California 94301, at 10:00 a.m. Pacific Daylight Time on the Effective Date, subject to satisfaction or waiver of the conditions set forth in Article 9 below. The closing of Purchaser's purchase of the Initial Programs from Messrs. Eric S. Froelich and Luis R. Reyes, III pursuant to that certain Software Purchase Agreement of even date herewith (the "Software Agreement") shall occur at, and simultaneously with, the Closing.

1.3 "Derivative Product" shall mean any software product developed by Purchaser from or with the Software in whole or in part after the Effective Date.

1.4 "Effective Date" shall mean May 31, 1995.

1.5 "Enhancements" shall mean all modifications, additions and enhancements, consisting of both copyrightable and patentable portions, made by Seller since August 17, 1989 to the Initial Programs, including, whether now in existence or in the development stage: (i) all technology, know-how, trade secrets, tapes, disks, flow charts, diagrams, object codes, source codes,

documents, manuals, inventory and development materials relating to the Software, and (ii) all marketing, distribution and other rights respecting the Software and related materials.

1.6 "Initial Programs" shall mean those computer software programs, consisting of both copyrightable and patentable portions, developed and presently owned in their August 17, 1989 state by Eric S. Froelich and Luis R. Reyes, III, as tenants in common, upon which the Software is based and which Messrs. Froelich and Reyes are selling to Purchaser, contemporaneously with Seller's sale of the Assets hereunder, pursuant to the Software Agreement.

1.7 "Product Revenue" shall mean all of the revenue of Purchaser, determined on the accrual method of accounting in accordance with generally accepted accounting principles consistently applied with Purchaser's current practices, in respect of the sale, license or other use anywhere in the Territory of the Software or any Derivative Product or of the maintenance or support anywhere in the Territory of the Software or any Derivative Product, including, without limitation, product upgrades and consulting services related to the Software or any Derivative Product and amounts received from distributors outside the U.S. in respect of any of the foregoing items, subject to the following additional rules:

(a) If Purchaser shall sell or license the Software or any Derivative Product and/or sell or provide maintenance, support, product upgrades or consulting service in connection with any customer's use of the Software or any Derivative Product (a "Seller product or service") in conjunction with one or more existing or future products, product upgrades or services of Purchaser, whether or not consisting of or related to the Software, so as to offer a "package deal" at a price less than the total price of all such products and services as provided separately, the revenue from the package attributable to the Seller product or service, and deemed to be Product Revenue, shall equal the greater of: (i) fifty percent (50%) of the separate list price in Seller's price schedule annexed hereto as Exhibit 11 for such Seller product or service, or (ii) that portion of the package price which bears the same ratio to the total package price as the separate price of the Seller product or service bears to the sum of the separate prices of all products and services included in the package, with such separate prices being determined in accordance with paragraph (b) below.

(b) For purposes of paragraph (a) (ii) above:

(i) the separate price of each product or service included in a package shall be the price listed in Purchaser's then-current published price schedule for such product or service as offered separately;

(ii) if there is no list price in Purchaser's then-current published price schedule for such product or service as offered separately, its separate price shall be deemed to be the average price at which such product or service was sold, licensed or provided separately to third parties during the calendar quarter immediately preceding the provision of the package in question or, if no separate sales, licenses or provision of such product or service were made in such calendar quarter, then in the next most recent calendar quarter in which a separate sale, license or provision of such product or service was made; and

(iii) Purchaser shall at all times during the period for which Seller is entitled to earn payments of the Contingent Amount hereunder maintain in Purchaser's published price schedule a separate list price for each of the products and services having a separate list price in Seller's price schedule annexed hereto as Exhibit 11.

(c) Product Revenue shall expressly include any amount otherwise meeting the definition of Product Revenue herein but for the fact that Purchaser shall have discounted, waived or deferred, in whole or in part, the billing for such amount, with deferred billings being included in Product Revenue at the time they would have been billed in accordance with Purchaser's customary billing practice, and with discounted or waived billings being included in Product Revenue at an amount not less than fifty percent (50%) of the separate list price in Purchaser's then-current published price schedule or in Seller's price schedule annexed hereto as Exhibit 11, whichever is greater, for the applicable product or service.

(d) For purposes of this Section 1.7, the separate list price in Seller's price schedule annexed hereto as Exhibit 11 for any Derivative Product shall be the separate list price in such schedule for the product from which such Derivative Product was derived or developed.

(e) It is the desire and intent of the parties that the provisions of this Section 1.7 shall be interpreted: (i) to assure that in no event shall the amount credited to Product Revenue in respect of any transaction by Purchaser in a Seller product or service be less than fifty percent (50%) of the separate list price in Seller's price schedule annexed hereto as Exhibit 11 for such Seller product or service; and (ii) to afford Seller a reasonable opportunity to earn the maximum Contingent Amount available hereunder.

1.8 "Software" shall mean the Initial Programs and the Enhancements, all as more fully described in Exhibit 1 annexed hereto and including, whether now in existence or in the development stage: (i) all technology, know-how, trade secrets,

tapes, disks, flow charts, diagrams, object codes, source codes, documents, manuals, inventory and development materials relating to the Initial Programs and the Enhancements, and (ii) all marketing, distribution and other rights respecting the Software and related materials.

1.9 "Territory" shall mean the entire world.

ARTICLE 2
PURCHASE OF ASSETS

Subject to the terms and conditions herein set forth:

2.1 Purchase of Assets. At the Closing, Seller will sell, assign, convey, transfer and deliver to Purchaser, and Purchaser will purchase and acquire, all right, title and interest in and to the Assets free and clear of any liens, pledges, security interests, claims or encumbrances of any kind, except as disclosed on Exhibits 2, 8 and 9 hereto.

2.2 Instruments of Assignment. The sale, assignment, conveyance and transfer of the Assets to Purchaser, as herein provided, shall be effected by Seller's execution and delivery of all such bills of sale, endorsements, assignments, consents and other good and sufficient instruments of transfer and conveyance as shall be reasonably satisfactory in form and in substance to Purchaser and its counsel and as shall be effective to vest in Purchaser all right, title and interest of Seller in and to the Assets.

2.3 Transfer of the Enhancements. At the Closing, Seller shall deliver to Purchaser's principal place of business in Naples, Florida via electronic modem transmission the Enhancements (including, without limitation, source code and object code), together with one copy of the current documentation for the Software. Seller shall not deliver any tangible property to Purchaser relating to the Software pursuant to this Agreement.

2.4 The Purchase Price. The aggregate purchase price for the Assets (the "Purchase Price") shall be the sum of:

(a) \$2,000,000 (the "Fixed Amount");

(b) The aggregate face amount of the Receivables (the "Receivables Amount") and the Prepaid Amounts, subject to adjustment in accordance with Section 2.7 below;

(c) The contingent amounts described in Section 2.8 below (the "Contingent Amount"); and

(d) Purchaser's assumption of Seller's term debt and customer maintenance obligations described in Article 3 below (the "Assumed Liabilities Amount").

2.5 Payment of the Purchase Price. The Fixed Amount of the Purchase Price shall be paid in accordance with the terms of the Promissory Note annexed hereto as Exhibit 12 ("Note No. 1"), which shall be executed and delivered to Seller at the Closing. The Receivables Amount and the Prepaid Amounts of the Purchase Price shall be paid in accordance with the terms of the Promissory Note annexed hereto as Exhibit 13 ("Note No. 2"), subject to adjustment in accordance with Section 2.7 below, which Note No. 2 shall be executed and delivered to Seller at the Closing. Payment of Note No. 1 and Note No. 2 shall be secured by a first priority security interest in the Software and a security interest in all of the remaining assets of Purchaser pursuant to the Security Agreement between Purchaser and Seller of even date herewith annexed hereto as Exhibit 14 (the "Security Agreement"), and personally guarantied by Arthur L. Allen, Purchaser's sole stockholder, pursuant to the Personal Guaranty of even date herewith annexed hereto as Exhibit 15 (the "Guaranty"). The Security Agreement and the Guaranty will also be executed and delivered to Seller at the Closing. The Contingent Amount of the Purchase Price shall be paid at the times and in the manner provided in Section 2.8 below. The Assumed Liabilities Amount shall be assumed at the Closing.

All property taxes, lease payments, prepaid license and registration fees with respect to the Assets, insurance premiums and similar items (other than the Prepaid Amounts) will be prorated as of the Closing.

2.6 Allocation of Purchase Price. The Purchase Price shall be allocated to the Assets in accordance with Exhibit 16 annexed hereto. Purchaser and Seller each hereby agree to report the transactions contemplated by this Agreement in accordance with such allocation for income tax purposes and to file Form 8594 with the Internal Revenue Service reflecting such allocation.

2.7 Accounts Receivable. Purchaser will use its best efforts to collect each of the Receivables for a period of six (6) months after the Effective Date, which efforts shall include sending monthly billings to the customers and making collection calls in accordance with Purchaser's customary practice as applied to Purchaser's own trade receivables, but shall not require Purchaser to commence any lawsuits or to refer any Receivable to a third party for collection. Purchaser shall have no liability for failure to collect any Receivable in the absence of bad faith or breach of its obligation to use its best efforts to collect such Receivable as described above. Payments received by Purchaser for any Receivable shall be applied on a first-in, first-out basis. Purchaser will not compromise any Receivable,

and will not offer any customer any allowance against any Receivable in exchange for the customer's purchase or license of any other products or services. Purchaser shall provide Seller with an aged listing of the Receivables monthly within ten (10) days after the end of each of the first six (6) months after the Effective Date, certified by Purchaser's Chief Financial Officer and reflecting all payments on, and the status of, each Receivable. Any Receivable not collected by Purchaser in full prior to the date six (6) months after the Effective Date shall be immediately assigned by Purchaser to Seller, entitling Seller to take whatever lawful steps it deems necessary to collect the unpaid balance thereof and, upon such assignment, the remaining principal amount of Note No. 2 shall be reduced by such unpaid balance.

2.8 The Contingent Amount. Subject to Section 6.7 below, Purchaser shall pay the Contingent Amount to Seller by means of payments, within thirty (30) days after the end of each of the twenty (20) consecutive three (3) month periods after the Effective Date, equal to seventeen percent (17%) of Product Revenue, if any, for the preceding three (3) month period. All payments of the Contingent Amount shall be made in U.S. dollars, and any portion of any such payment that results from a foreign currency transaction shall be converted into U.S. dollars at the exchange rate in effect on the date that the underlying Product Revenue is accrued or deemed accrued by Purchaser, as such rate is quoted in the Wall Street Journal. Purchaser shall include with each such payment a report, certified by Purchaser's Chief Financial Officer, stating the amount of the payment due and listing the Product Revenue giving rise to such payment. In no event shall the total payments of the Contingent Amount exceed \$2,380,000.

2.9 Records of Product Revenue. Purchaser shall keep complete and accurate books of account sufficient to determine Product Revenue during the period for which the Contingent Amount is due hereunder. Such books of account shall include, without limitation, ledgers reflecting all sales and licenses of the Software and Derivative Products (including product upgrades), all sales and other provision of consulting services relating to the Software and Derivative Products and all sales and other provision of maintenance and support for the Software and Derivative Products, the date on which each such sale, license or other provision is made and all other information necessary to determine the payments due pursuant to Section 2.8 above. Purchaser hereby grants Seller or Seller's duly authorized accountant the right, after reasonable notice and during normal business hours, but not more frequently than once during each year after the Effective Date, to review and audit all books of account described in this Section 2.9. The cost of each such review or audit shall be paid by Seller, except in the event such audit shall reveal an underpayment of any amount due pursuant to

Section 2.8 above in the amount of five percent (5%) or more, in which case all reasonable costs of such review or audit shall be paid by Purchaser.

(a) Seller hereby agrees that it and its agents, employees and consultants shall keep and hold confidential and in trust for the sole and exclusive benefit of Purchaser, and shall not use to Purchaser's detriment or for Seller's or any third party's benefit, any and all information relating to Purchaser's customers, or any information proprietary to Purchaser to which Seller might become privy as a result of a review of Purchaser's records pursuant to this Section 2.9 and shall indemnify and reimburse Purchaser for any and all losses, damages or expenses incurred or suffered by Purchaser as a result of its or its agents', employees' or consultants' failure to keep and hold such information confidential and in trust.

2.10 Purchaser's Undertaking. Purchaser agrees to use its best efforts to market the Software, any Derivative Products, product upgrades and consulting services relating to the use of any of the foregoing, and maintenance and support for the Software and any Derivative Products, throughout the Territory for as long as any part of the Contingent Amount remains outstanding and unpaid. Best efforts shall be consistent with Purchaser's efforts to market its other products and services and shall incorporate the following activities:

(i) distribute marketing literature to prospective licensees in such quantities and form as Purchaser deems reasonable under the circumstances;

(ii) educate and train Purchaser's sales personnel in the advantages of and functions performed by the Software, Derivative Products and related product upgrades, maintenance, support and consulting services in such detail as Purchaser deems necessary to enable such personnel to make effective presentations about the Software, Derivative Products and related products and services and to answer inquiries from prospective licensees and customers;

(iii) educate and train Purchaser's technical staff in the installation and use of and support and implementation of maintenance for the Software and Derivative Products.

ARTICLE 3 ASSUMPTION OF LIABILITIES

3.1 Assumption of Certain Liabilities. Subject to the terms and conditions of this Agreement, Purchaser hereby agrees to assume at the Closing each of the following liabilities of Seller:

(a) The term debt obligations set forth on Exhibit 17 annexed hereto.

(b) The obligation to perform and discharge Seller's obligations under all customer maintenance and support agreements with respect to the Software in effect on and after the Effective Date and only if set forth and identified on Exhibit 2 annexed hereto.

(c) The obligation to provide, or continue providing, administration of benefits under the Consolidated Omnibus Budget Reduction Act ("COBRA"), from and after the Closing, to: (i) the former employees of Seller listed as previously terminated on Exhibit 4 who are eligible to receive or are already receiving COBRA benefits from Seller, and (ii) those employees of Seller listed as currently employed by Seller on Exhibit 4 who are not hired by Purchaser as of the Closing.

3.2 Assignment of Certain Liabilities. Subject to the terms and conditions of this Agreement, Seller hereby agrees to assign, and Purchaser hereby agrees to assume, at the Closing all of Seller's obligations arising after the Closing under or in connection with each of the following:

(a) All license and other agreements with customers of Seller relating to the Software in effect on and after the Effective Date, as set forth on Exhibit 2 annexed hereto, other than obligations to provide customer maintenance and support which are the subject of Section 3.1(b) above.

(b) The lease of real property and installment purchase of equipment described on Exhibit 8 annexed hereto; provided, however, that if Seller elects to rent said equipment to Purchaser in accordance with Section 1.1(i) above, Purchaser shall be liable under the rental terms set forth on Exhibit 8 unless and until Purchaser shall purchase said equipment as provided in such rental terms.

(c) The distribution and sales representation agreements described on Exhibit 9 annexed hereto.

(d) The equipment and furniture, including computer hardware and software, furniture, fixtures and supplies, described on Exhibit 6 annexed hereto, and Purchaser's use thereof.

3.3 Limitation. Except as specifically set forth in Section 3.1 or 3.2 above, no other debts, obligations, contracts or liabilities of Seller are being assumed by Purchaser pursuant to this Agreement or otherwise, including, specifically, but not by way of limitation, any tax liabilities of Seller and its predecessors of any nature whatsoever including any which may

arise as a result of the transactions contemplated by this Agreement (subject to Section 6.8 below).

3.4 Consents to Assignment. Prior to the Closing, Seller will take all steps reasonably necessary, and Purchaser shall cooperate, to obtain the consent of third parties to the assignment to Purchaser of all material contracts of Seller included among the Assets and the liabilities to be assumed by or assigned to Purchaser hereunder; provided, however, that Seller shall not seek the consent of any customer of Seller, and may elect to seek the consent of the seller and the financier of the equipment subject to the installment purchase described on Exhibit 8 annexed hereto, if at all, after the Closing.

ARTICLE 4
SELLER'S REPRESENTATIONS AND WARRANTIES

Subject to the exceptions and limitations set forth in the Schedule of Exceptions annexed hereto as Exhibit 18, Seller represents and warrants to Purchaser as follows:

4.1 Organization and Good Standing. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of California. A Good Standing Certificate issued by the Secretary of State of such State issued within ninety (90) days of the Effective Date is annexed hereto as Exhibit 19.

4.2 Corporate Authority. Seller has full authority to execute and to perform this Agreement in accordance with its terms; the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby does not and will not result in a breach, violation or default, or give rise to an event which, with the giving of notice or after the passage of time, would result in a breach, violation or default, of any of the terms or provisions of Seller's Articles of Incorporation, By-Laws or of any indenture, agreement, judgment, decree or other instrument or restriction to which Seller is a party or by which Seller or any of the Assets may be bound or affected; the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Seller and no further authorization or approval, whether of the shareholders or directors of Seller or governmental bodies or otherwise, is necessary in order to enable Seller to enter into and perform the same; and this Agreement constitutes a valid and binding obligation enforceable against Seller in accordance with its terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

4.3 Litigation. There are no judicial or administrative actions, proceedings or investigations pending or, to Seller's knowledge, threatened that question the validity of this Agreement or any transaction contemplated hereby.

4.4 Title to Assets. Except as set forth in documents listed in Exhibits 1, 2, 5, 6 and 8 hereto, (a) Seller has good and marketable title to all of the Assets; (b) none of the Assets or use thereof: (i) is subject to any easements, restrictions, mortgages, liens, pledges, charges, encumbrances, encroachments or rights of others of any kind or nature whatsoever, (ii) encroaches or, to the best of Seller's knowledge, infringes on the property or rights of another, or (iii) contravenes any applicable law or ordinance or any administrative regulation or violates any restrictive covenant, the enforcement of which would result in any material liability to the owner of the Assets or would in any respect interfere with or prevent the present and continued use of the Assets for the purpose of which they are now being used or would materially affect the value thereof, and (c) there are no material agreements or arrangements between Seller and any third person which have any effect upon Seller's title to and other rights respecting the Assets.

4.5 Patents, Trademarks, Etc. There are no inventions, licenses, patents, patent applications, trademarks, copyrights, trademark or copyright applications or registrations, pending or existing, relating to the Software owned by or registered in the name of Seller or in which Seller has any rights except as described in Exhibit 5. Except as described in Exhibit 5, Seller owns the inventions, patents, licenses, trademarks, tradenames and copyrights, existing or pending, listed in Exhibit 5 hereto which are all such items necessary for the present conduct of its business relating to the Software, none of which is being contested or infringed upon; and the present conduct of the business of Seller with respect to the Software does not infringe upon or violate the patents, trademarks, tradenames, trade secrets or copyrights of anyone, nor has Seller received any notice of any infringement thereof.

4.6 Compliance with Law. Seller is not in violation of any laws, material governmental orders, rules or regulations, whether federal, state or local, to which the Assets are subject.

4.7 Customer Base. Seller has no knowledge or information that any existing customer of the Software intends to cease utilizing the Software or the services of Seller related to the Software after the Effective Date except for those customers disclosed on Exhibit 20.

4.8 Material Agreements. Exhibit 21 annexed hereto lists all agreements relating to Seller's acquisition of rights in the Software and associated rights and all other material agreements

involving Seller's business excluding routine customer license agreements listed on Exhibit 2.

4.9 Confidentiality Agreements. Exhibit 22 annexed hereto lists all Confidentiality Agreements with third parties relating to the Software and also lists those persons who have had access to the source code without executing Confidentiality Agreements, whether entered into directly with Seller or assigned to Seller, except for any such agreements entered into between the Seller and any of its employees.

4.10 Future Commitments. Except as set forth herein, Seller has not made nor will make any agreement or commitment to perform any development work in the future on any of the Software.

4.11 Customer Agreements. The agreements listed on Exhibit 2 represent all of the obligations of Seller to provide maintenance or support respecting the Software for periods extending after the Effective Date, except for Seller's obligations to provide free or discounted training and other services in connection with such maintenance or support as described on Exhibit 18 annexed hereto. Seller further warrants and represents that there are no restrictions contained in the customer license agreements set forth in Exhibit 2 restricting Purchaser's right to charge customers Purchaser's prevailing maintenance fees after expiration or termination of such license agreements. Purchaser shall be responsible for issuing all invoices to customers in respect of agreements for maintenance and support of the Software commencing or having renewal dates on or after the Effective Date, as well as new sales and licenses of the Software, any Derivative Product or any consulting service in respect of either of the foregoing after the Effective Date. Purchaser will not issue any invoices until after the Effective Date.

4.12 Distributors. Exhibit 9 annexed hereto sets forth a complete list of (a) all distributors and agents with whom Seller has agreements currently in effect respecting marketing or distribution of the Software, and (b) the revenues received by Seller from each such distributor or agent during Seller's most recent fiscal year.

4.13 Salaries. Exhibit 4 sets forth, as of the Effective Date, a true and complete list of all the persons who are employed by Seller and will be advised by Seller that they are eligible for employment by Purchaser on the Effective Date, together with their current compensation and bonuses paid for the full calendar year immediately preceding the Effective Date. Each of such employees is employed by Seller on an at-will basis. On or before the Closing, Seller will terminate its employment of each such employee (except any who are not hired by Purchaser as of the Closing) and, except for Seller's responsibilities

under COBRA which are being assumed by Purchaser pursuant to Section 3.1(c) above, Seller will satisfy, with respect to all of such employees, any outstanding liability for payment of wages, vacation pay, salaries, bonuses, pensions or contributions under any labor or employment contract, whether oral or written, or by reason of any past practices with respect to such employees, and Purchaser shall have no liability therefor, irrespective of whether or not it hires any such employees.

4.14 No Undisclosed Liabilities; Etc. Seller has no liabilities or obligations of any nature except as reflected or reserved against in the December 31, 1994 balance sheet which has been provided to Purchaser. There are no legal, administrative, arbitration or other proceedings, claims or actions of any nature pending or threatened against Seller; and Seller is not aware of any valid basis for any such legal, administrative, arbitration or other proceeding, claim or action.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Seller as follows:

5.1 Organization and Good Standing. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. A Good Standing Certificate issued by the Secretary of State of such State issued within ninety (90) days of the Effective Date is annexed hereto as Exhibit 23.

5.2 Corporate Authority. Purchaser has full authority to execute and to perform this Agreement in accordance with its terms; the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby does not and will not result in a breach, violation or default, or give rise to an event which, with the giving of notice or after the passage of time, would result in a breach, violation or default, of any of the terms or provisions of Purchaser's Certificate of Incorporation, as amended, or By-Laws or of any indenture, agreement, judgment, decree or other instrument or restriction to which Purchaser is a party or by which Purchaser may be bound or affected; the execution and delivery of this Agreement and consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Purchaser and no further authorization or approval, whether of the shareholders or directors of Purchaser or governmental bodies or otherwise, is necessary in order to enable Purchaser to enter into and perform the same; and this Agreement constitutes a valid and binding obligation enforceable against Purchaser in accordance with its terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization and

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other laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

5.3 Litigation. There are no judicial or administrative actions, proceedings or investigations pending or, to Purchaser's knowledge, threatened that question the validity of this Agreement or any transaction contemplated hereby.

5.4 No Undisclosed Liabilities; Etc. Purchaser has no liabilities or obligations of any nature except as reflected or reserved against in the December 31, 1994 balance sheet or the March 31, 1995 balance sheet which have been provided to Seller. There are no material legal, administrative, arbitration or other proceedings, claims or actions of any nature pending or threatened against Purchaser; and Purchaser is not aware of any valid basis for any such legal, administrative, arbitration or other proceeding, claim or action.

5.5 No Liens. Subject to satisfaction of the conditions set forth in Section 9.2(e) below, no creditor of Purchaser shall have any lien, claim or encumbrance against the Software, such that, upon filing its financing statement with respect to the Software in accordance with the Security Agreement, Seller shall obtain a first priority security interest in the Software.

ARTICLE 6 ADDITIONAL COVENANTS

6.1 Non-Competition. (a) During the period from and after the Effective Date until the fifth anniversary of the Effective Date, Seller shall not, directly or indirectly, engage anywhere in the world in a business or enterprise in the development or marketing of any competing computer software and during such period shall not solicit or attempt to solicit sales or licenses of any competing computer software, interfere with, disrupt or attempt to disrupt the relationship, contractual or otherwise, between Purchaser and its customers, suppliers, agents, consultants, officers or employees relating to the Software.

(b) The phrase "competing computer software" as used herein means any software product which has the same or substantially similar purposes as the Software, which performs functions substantially similar to the Software, and the marketing of which would tend to inhibit licensing or marketing of the Software. The provisions of Section 6.1 shall prevent Seller from investing its assets in securities of any corporation engaged in business competitive to that of the Purchaser, provided that the provisions of Section 6.1 shall not prevent Seller from owning up to two percent (2%) of the total shares of all classes of stock outstanding of any corporation having securities listed on the New York Stock Exchange, the American

Stock Exchange or any other exchange, or regularly traded on NASDAQ or any other public market.

(c) It is the desire and intent of the parties that the provisions of this Section 6.1 shall be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. If any particular provision or portion of this Section 6.1 shall be adjudicated to be invalid or unenforceable, this paragraph shall be deemed amended to delete therefrom such provision or portion thereof adjudicated to be invalid or unenforceable, such amendment to apply only with respect to the operation of this paragraph in the particular jurisdiction in which such adjudication is made. If there is a breach or threatened breach of the provisions of this Section 6.1, Purchaser shall be entitled to an injunction restraining Seller from such breach. Nothing herein shall be construed as prohibiting Purchaser from pursuing any other remedies for such breach or threatened breach.

(d) The undertakings and covenants of Seller contained in this Section 6.1 are an integral part of the transactions set forth in this Agreement and the consideration paid by Purchaser pursuant to this Agreement shall be consideration not only for the Assets but also for the undertakings and covenants of Seller set forth herein.

6.2 Due Diligence. Between the date of this Agreement and the Effective Date, Seller shall give Purchaser and its authorized representatives reasonable access to Seller's properties, books and records in order that Purchaser may have full opportunity to make such investigations as it shall desire of the affairs of Seller. Seller will also cause its officers and accountants to furnish such additional financial and operating data and other information as Purchaser may from time to time reasonably request prior to the Effective Date. Any investigation shall be conducted by Purchaser in a manner so as not to interfere unreasonably with the business or operations of Seller. Purchaser shall hold, and cause its officers and representatives to hold, all documents and information furnished to it by Seller or Seller's representatives in connection with such transactions and this Agreement, including all notes and analyses thereof made by Purchaser and its representatives, (collectively, the "Evaluation Materials") in confidence, unless disclosure is compelled by judicial or administrative process; provided, however, that information Purchaser can demonstrate was in the public domain or otherwise independently known by it or its representatives without breach of Seller's rights of confidentiality on the date of this Agreement shall not be subject to this covenant. Purchaser shall use the Evaluation Materials solely for the purpose of evaluating and carrying out discussions with Seller related to this Agreement. If the transactions contemplated hereby are not consummated, Purchaser

shall promptly return to Seller any and all Evaluation Materials supplied by Seller and its representatives and shall destroy all originals or copies thereof made by Seller or any of its representatives.

6.3 Ordinary Course of Business. Prior to the Closing, Seller will carry on its business diligently and substantially in the same manner as heretofore conducted, and shall not institute any new methods of management, accounting or operation or engage in any transaction or activity, enter into any agreement or make any commitment except in the ordinary course of business and consistent with past practice.

6.4 Consulting Agreement. At the Closing, Purchaser and Eric S. Froelich shall enter into the Consulting Agreement annexed hereto as Exhibit 24.

6.5 Name License. Purchaser shall have the right, pursuant to an exclusive, prepaid license on the terms contained in this Section 6.5, to use the name "Altare" or "Altare Computer", with no variations whatsoever and excluding Seller's logo, for a period of twelve (12) months after the Closing exclusively in connection with Purchaser's marketing of the Software, any Derivative Product and any product upgrade to either one, as well as any consulting, maintenance and support services in connection with the Software, any Derivative Product and any product upgrade to either one; provided, however, that Purchaser shall not assert any rights of ownership in either name or in any trademark, tradename or other intellectual property right or registration in respect thereof.

6.6 Seller Liquidation. Notwithstanding any provision to the contrary herein, Purchaser hereby acknowledges and agrees that Seller may elect to liquidate and dissolve before the Purchase Price has been paid in full, and that, in such event, Seller may, in connection with such liquidation and dissolution, transfer to its shareholders (or to a liquidating trust for the benefit of such persons) without Purchaser's consent Seller's rights under Note No. 1, Note No. 2, the Security Agreement and the Guaranty, Seller's rights to any unpaid portion of the Contingent Amount and Seller's rights to indemnification under Section 10.

6.7 Sale or Change in Control of Purchaser. In the event of a sale or other transfer of all or substantially all of Purchaser's assets or of the Software (including the sale, license or other transfer of the Software for sale or use in one or more geographic or other markets or any other extraordinary transfer of the Software or rights therein not subject to Section 8.4 below and not consisting of a customary distribution agreement) or of any of the Assets described in Section 1.1(a), (b), (e) or (j), or a change in ownership of fifty percent (50%)

or more of the voting interests in Purchaser (excepting only such a change resulting solely from the death of Arthur L. Allen), whether by sale, merger, reorganization or otherwise, and whether voluntary, involuntary or by operation of law, at any time before the fifth anniversary of the Effective Date and before the maximum Contingent Amount shall have been paid (an "Acceleration Event"), then notwithstanding any provision to the contrary herein, Purchaser shall immediately be liable for and shall pay to Seller, in addition to all payments of the Contingent Amount actually made as of the date of such Acceleration Event, the difference between the maximum Contingent Amount (\$2,380,000) and such aggregate payments of the Contingent Amount actually made, in complete satisfaction of Purchaser's liability under Section 2.8 above.

6.8 Sales and Transfer Taxes. Seller and Purchaser shall each be liable for one-half (1/2) of all sales, use and other similar taxes and fees, if any, based on the sale of the Assets hereunder which may now or later be imposed by any state, city, county, municipality or other taxing jurisdiction or by any political subdivision of the foregoing.

6.9 Notes Receivable. Purchaser will use its best efforts to collect, as Seller's agent and on Seller's behalf, each of the notes receivable set forth on Exhibit 25 annexed hereto (the "Notes Receivable") for a period of four (4) years after the Effective Date, which efforts shall include sending monthly billings to the customers and making collection calls in accordance with Purchaser's customary practice as applied to Purchaser's own trade receivables, but shall not require Purchaser to commence any lawsuits or to refer any Note Receivable to a third party for collection. Purchaser shall have no liability for failure to collect any Note Receivable absent manifest bad faith. Payments received by Purchaser for any Note Receivable shall be applied on a first-in, first-out basis, unless specifically marked otherwise by the customer, and shall be remitted to Seller quarterly, within ten (10) days after the end of each consecutive three (3) month period after the Effective Date. Purchaser shall provide Seller with an aged listing of the Notes Receivable at the time each quarterly payment is due, certified by Purchaser's Chief Financial Officer and reflecting all payments on, and the status of, each Note Receivable. Purchaser will not compromise or encumber any Note Receivable, and will not offer any customer any allowance against any Note Receivable in exchange for the customer's purchase or license of any other products or services. Purchaser shall immediately be released from its duties hereunder with respect to any Note Receivable as to which the customer shall default, and as to any Note Receivable not collected by Purchaser in full by the fourth anniversary of the Effective Date, whereupon Seller shall be solely responsible to take whatever lawful steps it deems necessary to collect the unpaid balance thereof.

6.10 Financial Information. As long as any part of the Purchase Price remains unpaid, Purchaser shall deliver to Seller upon Seller's written request:

(a) Immediately when available after the end of each fiscal year of Purchaser, a balance sheet of Purchaser as of the end of such year and statements of income and of changes in financial condition of Purchaser for such year, prepared in accordance with generally accepted accounting principles consistently applied.

(b) Within sixty (60) days after the end of each fiscal quarter of Purchaser, a balance sheet of Purchaser as of the end of such quarter and statements of income and of changes in financial condition of Purchaser for such fiscal quarter and for the current fiscal year to the end of such quarter.

(c) The foregoing financial statements shall be in audited form accompanied by the auditor's opinion if Purchaser has had such statements audited by a certified public accountant, and shall be accompanied by a certificate of the President or Chief Financial Officer of Purchaser stating that such statements have been prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition of Purchaser as of the dates thereof and for the periods covered thereby.

ARTICLE 7 FURTHER ASSURANCES

7.1 Non-Solicitation. During the period of two years from and after the Effective Date, neither party shall solicit any employee of the other for employment except that Seller expressly agrees that Purchaser may, and Purchaser expressly agrees that it may, solicit for employment some of the employees of Seller identified on Exhibit 4 annexed hereto.

7.2 Further Assurances. At any time and from time to time after the Effective Date, Seller and Purchaser shall, without further consideration, execute and deliver such other actions as either party may reasonably request to carry out the sale of the Assets and the other transactions contemplated by this Agreement.

7.3 Announcement. Seller and Purchaser will consult with each other before issuing any press releases or otherwise making any public statements with respect to this Agreement or the transactions contemplated hereby, and any such statements shall be subject to the prior, mutual consent of the parties. In particular, Purchaser shall not contact Seller's employees with respect to this Agreement or the transactions contemplated hereby except with the prior approval of Seller's President.

ARTICLE 8
SPECIAL COVENANTS

8.1 Brokerage. Except as set forth on Exhibit 26, Purchaser and Seller represent and warrant to each other that all negotiations relative to this Agreement and the transactions contemplated hereby have been carried on by Seller directly with Purchaser and without the intervention of any person or entity and that no commission or finder's fee is owing to any person or entity. Each of the parties agrees to indemnify the other party in the event of the breach by such party of the foregoing representation and warranty. Each party shall pay at the Closing one-half (1/2) of the commission payable in accordance with Exhibit 26. Seller hereby acknowledges that the third party listed on Exhibit 26 has acted solely as Seller's representative, and not as the representative of Purchaser.

8.2 Cooperation. Seller and Purchaser shall cooperate with each other after the Closing with respect to actions required or requested to be undertaken with respect to tax audits, administrative actions or proceedings, litigation and any other matters that may occur after the Effective Date, and shall maintain and make available to each other upon request all corporate, tax and other records required or requested in connection with such matters.

8.3 Letter to Software Users. Purchaser and Seller agree that each will sign and authorize the mailing of a letter, in form reasonably satisfactory to both, addressed to those customers in the Territory who have open invoices issued by Seller prior to the Effective Date (the "Open Invoices") or who have monthly lease or rental obligations extending beyond the Effective Date (the "Continuing Obligations"), advising such customers of the nature of the transactions contemplated hereby and requesting that such customers hereby pay the Open Invoices and the Continuing Obligations to Purchaser.

8.4 Software Licenses. Notwithstanding anything to the contrary contained in this Agreement, Eric S. Froelich (or his designee), acting on behalf of Purchaser, Seller, Eric S. Froelich and Luis R. Reyes, III, shall have the right, within twelve (12) months after the Closing and with Purchaser's prior written consent (which consent shall not be unreasonably withheld), to license all or any part of the source code for the Software to VIASOFT, INC. for use in any product or application which is not competitive with the business of Purchaser in exchange for consideration, net of any expenses incurred in connection with such license, to be distributed as follows: 50% to Purchaser and 50% to Seller, and/or each of their respective successors and assigns. None of such consideration shall be credited against, or in any manner affect, the Purchase

Price payable by Purchaser to Seller pursuant to the terms of this Agreement.

ARTICLE 9
CONDITIONS TO CLOSING

9.1 Conditions to Purchaser's Obligations. The obligation of Purchaser to effect the transactions contemplated hereby shall be subject to the satisfaction, at or before the Closing, of each of the following conditions:

(a) Completion of Investigation. Purchaser shall have completed its investigation of Seller's properties, books and records as described in Section 6.2 above to its reasonable satisfaction.

(b) Certificate. Seller will furnish Purchaser with a certificate of Seller's Secretary certifying that the representations and warranties of Seller contained herein are true and accurate in all material respects as of the Closing.

(c) Bill of Sale. Seller will furnish Purchaser with a bill of sale, executed by an officer of Seller, in the form of Exhibit 27 annexed hereto.

(d) Director Approval. Seller will furnish Purchaser with a copy of resolutions duly adopted by Seller's Board of Directors approving this Agreement and the transactions contemplated hereby.

(e) Consent. The consent of the lessor of the real property described on Exhibit 8 annexed hereto shall have been obtained.

9.2 Conditions to Seller's Obligations. The obligation of Seller to effect the transactions contemplated hereby shall be subject to the satisfaction, at or before the Closing, of each of the following conditions:

(a) Financial Comfort. Seller shall be reasonably satisfied with Purchaser's accounting practices and the financial security of Note No. 1, Note No. 2, the Security Agreement and the Guaranty.

(b) Certificate. Purchaser will furnish Seller with a certificate of Purchaser's Secretary certifying that the representations and warranties of Purchaser contained herein are true and accurate in all material respects as of the Closing.

(c) Director Approval. Purchaser will furnish Seller with a copy of resolutions duly adopted by Purchaser's

Board of Directors approving this Agreement and the transactions contemplated hereby.

(d) Consent. The consent of the lessor of the real property described on Exhibit 8 annexed hereto shall have been obtained.

(e) No Liens. Purchaser will furnish Seller with fully executed agreements and amended financing statements, in forms reasonably satisfactory to Seller, from each of Merrill Lynch Business Financial Services, Inc. and Citizens National Bank to the effect that neither of them has or will have any security interest in, or lien, claim or encumbrance against, the Software.

ARTICLE 10
INDEMNIFICATION

10.1 Survival of Representations and Warranties. Except as otherwise specifically set forth herein, the representations and warranties of Seller and Purchaser herein shall survive the Closing.

10.2 Indemnification by Seller. Seller hereby agrees to indemnify and hold Purchaser harmless from and against the following:

(a) Any and all liabilities, losses, damages, claims, costs and expenses of Seller of any nature, whether absolute, contingent or otherwise, which Purchaser has not expressly agreed to assume or accept the assignment of pursuant to the terms of this Agreement;

(b) Any and all liabilities, losses, damages, claims, costs and expenses resulting from any misrepresentation, breach of any warranty, or non-fulfillment of any covenant or agreement on the part of Seller contained in this Agreement or in any statement or certificate furnished or to be furnished by Seller to Purchaser pursuant hereto or in connection with the transactions contemplated hereby; and

(c) Any and all actions, suits, proceedings, demands, assessments or judgments, costs and expenses (including attorneys' fees) incident to any of the foregoing.

10.3 Indemnification by Purchaser. Purchaser hereby agrees to indemnify and hold Seller harmless from and against the following:

(a) Any and all liabilities, losses, damages, claims, costs and expenses of Seller arising out of or resulting

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from Purchaser's failure to perform its obligations to assume accept the assignment of the liabilities and obligations described in Sections 3.1 and 3.2 above, including, without limitation, those liabilities incurred after the Effective Date under the leases, licenses and other agreements of Seller assigned to Purchaser pursuant hereto, as well as any failure or inability of Seller to obtain the necessary consent of any third party to such assumption or assignment, and all liabilities arising out of Purchaser's use of the Assets from and after the Effective Date;

(b) Any and all liabilities, losses, damages, claims, costs and expenses resulting from any misrepresentation, breach of any warranty, or non-fulfillment of any covenant or agreement on the part of Purchaser contained in this Agreement in any statement or certificate furnished or to be furnished to Purchaser to Seller pursuant hereto or in connection with the transactions contemplated hereby; and

(c) Any and all actions, suits, proceedings, demands, assessments or judgments, costs and expenses (including attorneys' fees) incident to any of the foregoing.

10.4 Indemnification Procedures. In the event that at any time or from time to time after the Closing a party entitled to indemnification hereunder (the "Indemnitee") shall sustain a loss of any nature whatsoever against which such Indemnitee is not indemnified hereunder, such Indemnitee shall promptly notify the other party (the "Indemnitor") of such loss so sustained, and the Indemnitor shall within ten (10) days after such notice pay to the Indemnitee the amount of such loss so sustained, subject to its right to contest any claim which has not yet resulted in a loss, as hereinafter provided. The Indemnitee shall promptly notify the Indemnitor of the existence of any actual or potential claim, demand or other matter involving liabilities to third parties to which the Indemnitor's indemnification obligation would apply and shall give the Indemnitor a reasonable opportunity to defend the same or prosecute such action to a conclusion or settlement satisfactory to the Indemnitee at the Indemnitor's expense and with counsel of the Indemnitor's selection, provided that the Indemnitee shall at all times have the right to fully participate in the defense at its own expense.

(a) If the Indemnitee fails to promptly provide the Indemnitor with notice of any actual or potential claim, demand or other matter involving liabilities to third parties which the indemnification provisions of this Article relate to, the Indemnitor shall not be liable for any harm, cost, expense or liability which directly results from or is a result of the Indemnitee's failure to deliver such prompt notice to the Indemnitor.

(b) If the Indemnitor shall, within a reasonable time after said notice, fail to defend, the Indemnitee shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle (exercising reasonable business judgment) the claim or other matter on behalf, for the account, and at the risk and expense, of the Indemnitor. Except as provided in the preceding sentence, the Indemnitee shall not compromise or settle any claim or other matter without the prior written consent of the Indemnitors.

(c) If the claim is one that cannot by its nature be defended solely by the Indemnitor, the Indemnitee shall make available all information and assistance that the Indemnitor may reasonably request, provided that any associated expenses shall be paid by the Indemnitor.

(d) If the Indemnitor contests or challenges any claim or action asserted against the Indemnitee referred to in this Article, it shall do so at its own cost and expense, holding the Indemnitee harmless from all costs, fees, expenses, debts, liabilities and charges in connection with such contest; shall diligently defend against any such claim; and shall hold the Indemnitee's business and assets free and harmless from any attachment, execution, judgment, lien or other legal process.

(e) The rights of indemnification of the Indemnitee shall not be limited to the provisions of this Article, and the provisions of this Article shall be in addition to, and shall not be exclusive of, any other indemnification provided for under this Agreement and any other rights or remedies at law or in equity which may accrue to the Indemnitee.

ARTICLE 11 GENERAL

11.1 Books and Records. On or promptly following the Effective Date, Seller shall deliver into Purchaser's custody copies of all business records and agreements (and not the tax or corporate books and records) of Seller relating to the Software.

11.2 Notices. All notices, requests and demands hereunder shall be in writing and shall be delivered personally, sent by telex or facsimile transmission or sent by certified, registered or express mail, postage prepaid. Any such notice shall be deemed given when so delivered personally, sent by facsimile with a valid facsimile receipt, or, if mailed, three (3) days after deposit in the United States mail, if addressed:

(a) in the case of Seller, to:

Altare Computer, Inc.
7660 Santa Paula Drive
Gilroy, California 95020
Attention: Eric S. Froelich, President

with a copy to:

David Cohen, Esq.
Cohen & Ostler, A Professional Corporation
525 University Avenue, Suite 410
Palo Alto, California 94301

(b) in the case of Purchaser, to:

Allen Systems Group, Inc.
750 11th Street S.
Naples, Florida 33940
Attention: Arthur Allen, President

with a copy to:

Thomas McElroy, Jr., Esq.
General Counsel
Allen Systems Group, Inc.
750 11th Street S.
Naples, Florida 33940

or such other address or to such other person as Purchaser or Seller shall have last designated by notice to the other party given as herein provided.

11.3 Modification. This Agreement and the Exhibits annexed hereto (which are incorporated herein and made parts hereof) contain the entire agreement of the parties hereto and there are no agreements, warranties or representations which are not set forth herein. All prior negotiations, agreements and understandings are superseded hereby. This Agreement may not be modified or amended except by an instrument in writing duly signed by or on behalf of the parties hereto.

11.4 Governing Law and Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida applicable to agreements made and to be performed entirely within the State.

11.5 Binding Effect; Assignment. This Agreement shall be binding upon the parties and inure to the benefit of the successors, assigns, heirs and legal representatives of the respective parties hereto; provided, however, that, except as otherwise provided herein and specifically in Section 6.6 above,

this Agreement and all rights hereunder may not be assigned by either party hereto except by or with the prior written consent of the other party.

11.6 Counterparts. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

11.7 Paragraph Headings. The paragraph headings in this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

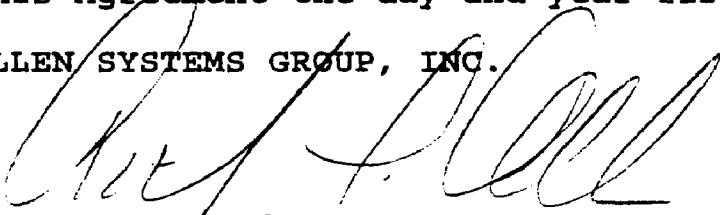
11.8 Transaction Expense. Except as otherwise specifically provided herein, each party hereto shall be responsible for the payment of (and shall indemnify and hold the other party harmless against) any and all of its own expenses, including, without limitation, the fees and expenses of its counsel, accountants and other advisors, arising out of or relating directly or indirectly to the negotiation, preparation and execution of this Agreement, and the transactions contemplated hereby.

11.9 Interpretation. This Agreement shall not be interpreted or construed for or against either party, it having been prepared with the participation of both parties.

11.10 Attorney's Fees. The prevailing party in any dispute arising hereunder or in connection herewith shall be entitled to recover all of its costs and expenses incurred in such dispute (including attorney's fees) from the other party.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above written.

ALLEN SYSTEMS GROUP, INC.

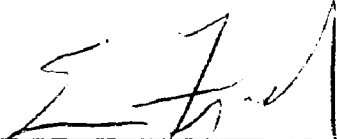


(Authorized Signature)

PRESIDENT

(Title)

ALTARE COMPUTER, INC.



(Authorized Signature)

PRESIDENT

(Title)

EXHIBIT 1
THE SOFTWARE

The Software means that computer software product for the management and maintenance of job control language known as "JCLPREP". The Initial Programs part of the Software, consisting of both copyrightable and patentable portions, was developed prior to August 17, 1989, and is presently owned in its August 17, 1989 state, by Eric S. Froelich and Luis R. Reyes, III, as tenants in common. The Initial Programs were licensed by Messrs. Froelich and Reyes to Seller pursuant to that certain License Agreement dated August 17, 1989 annexed to the Agreement as Exhibit 21. The Enhancements part of the Software, also consisting of both copyrightable and patentable portions, was developed from and after August 17, 1989, and is presently owned in its existing state, by Seller.

EXHIBIT 5
PATENTS, COPYRIGHTS, TRADEMARKS, TRADENAMES

Luis R. Reyes dba Altare Computer Co. owns the attached federal copyright registration for "JCLPREP - JCL Management Program".

Altare Computer, Inc. owns the attached federal trademark registration for "JCLPREP".

Altare Computer, Inc. owns the attached State of California trademark registration for "JCLPREP".

Int. Cl.: 9

Prior U.S. Cl.: 38

United States Patent and Trademark Office Reg. No. 1,730,799
Registered Nov. 10, 1992

**TRADEMARK
PRINCIPAL REGISTER**

JCLPREP

ALTARE COMPUTER, INC. (CALIFORNIA CORPORATION)
8921 MURRAY AVENUE
GILROY, CA 95020

CONTROL LANGUAGE, IN CLASS 9 (U.S. CL. 38).
FIRST USE 5-0-1987; IN COMMERCE 5-0-1987.

FOR: COMPUTER SOFTWARE FOR THE MANAGEMENT AND MAINTENANCE OF JOB

SER. NO. 74-218,162, FILED 11-4-1991.
RUSS HERMAN, EXAMINING ATTORNEY