

11-09-1999

ER SHEET
|LY



101197352

Tab settings

To the Honorable Commission

the attached original documents or copy thereof.

1. Name of conveying party(ies):

Qualification Technologies, Inc.
13 Granite Street
Medway, Massachusetts 02053 USA

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

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

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

Professional Training Services, Inc.
475 Allendale Road, Suite 102
King of Prussia, Pennsylvania 19406 USA

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation of Pennsylvania
- Other _____

11-3-99

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

(Designations must be a separate document from assignment)

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

3. Nature of Conveyance:

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

Execution Date:

4. Application number(s) or patent number(s) listed below

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See attached schedule "A"

Additional numbers attached? Yes No

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

Name: GLENN A. GUNDERSEN
DECHERT, PRICE & RHOADS
4000 BELL ATLANTIC TOWER
1717 ARCH STREET
PHILADELPHIA, PA. 19103-2793
TEL. NO. (215) 994-2183

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41) \$90.00

- Enclosed
- Authorized to be charged to deposit account
(Including any underpayment)

8. Deposit account number: 04-0475

(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.

Andrea G. Hilborn
Andrea G. Hilborn

Signature

00100053 040475
1/3/99
Date

Total number of pages including cover sheet, attachments, and document: 17

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK

REEL: 001986 FRAME: 0446

01/08/1999 VBRUMH 00100053 040475
40.00 CH
50.00 CH

SCHEDULE A

QUALIFICATION TECHNOLOGIES, INC.

U.S. Trademark Applications

| <u>Mark</u> | <u>Serial No.</u> | <u>Date Filed</u> |
|-----------------------------------|-------------------|-------------------|
| TECHNOLOGY FOR BETTER LEARNING | 75-249,377 | February 27, 1997 |
| QUALIFICATION TECHNOLOGIES | 75-240,297 | February 11, 1997 |
| QUALTECH | 75-240,294 | February 11, 1997 |

STOCK PURCHASE AGREEMENT

By and Among

Professional Training Services, Inc.,

Qualification Technologies, Inc.

and

The Stockholders thereof

July 22, 1997

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STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement ("Agreement") is made as of July 22, 1997, by Professional Training Services, Inc., a Pennsylvania corporation ("PTS" or "Buyer"), Qualification Technologies, Inc., a Delaware corporation (the "Company"), and Ludger Flügge, Peter Lehnen, Tamas Sevitacs, Brigitte Lehnen, Holger Knippel, Karin Knippel and Christoph Knippel (each a "Stockholder" of the Company and collectively "Sellers").

RECITALS

Sellers desire to sell, and Buyer desires to purchase, all of the issued and outstanding shares (the "Shares") of capital stock of the Company, for the consideration and on the terms set forth in this Agreement.

AGREEMENT

The parties, intending to be legally bound, agree as follows:

1. DEFINITIONS

For purposes of this Agreement, the following terms have the meanings specified or referred to in this Section 1:

"Acquired Companies" -- the Company, the German Subsidiary and the Hungarian Subsidiary, collectively.

"Adjustment Amount" -- as defined in Section 2.5.

"Applicable Contract" -- any Contract (a) under which any Acquired Company has or may acquire any rights, (b) under which any Acquired Company has or may become subject to any obligation or liability, or (c) by which any Acquired Company or any of the assets owned or used by it is or may become bound.

"Balance Sheets" -- as defined in Section 3.4.

"Best Efforts" -- the efforts that a prudent Person desirous of achieving a result would use in similar circumstances to ensure that such result is achieved as expeditiously as reasonably possible ; provided, however, that an obligation to use Best Efforts under this Agreement does not require the Person subject to that obligation to take actions that would result in a materially adverse change in the benefits to such Person of this Agreement and the Contemplated Transactions.

thereof, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos-containing materials.

"Hungarian Subsidiary" -- Qualification Development, Kft.

"Intellectual Property Assets" -- as defined in Section 3.2~~1~~ ⁴

"Interim Balance Sheets" -- as defined in Section 3.4.

"IRC" -- the Internal Revenue Code of 1986 or any successor law, and regulations issued by the IRS pursuant to the Internal Revenue Code or any successor law.

"IRS" -- the United States Internal Revenue Service or any successor agency, and, to the extent relevant, the United States Department of the Treasury.

"Knowledge" -- an individual will be deemed to have "Knowledge" of a particular fact or other matter if:

(a) such individual is actually aware of such fact or other matter; or

(b) a prudent individual could be expected to discover or otherwise become aware of such fact or other matter in the course of conducting a reasonable investigation concerning the existence of such fact or other matter.

A Person (other than an individual) will be deemed to have "Knowledge" of a particular fact or other matter if any individual who is serving as a director, executive officer, partner, executor, or trustee of such Person (or in any similar capacity) has, or at any time had, Knowledge of such fact or other matter.

"Legal Requirement" -- any federal, state, local, municipal, foreign, international, multinational, or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute, or treaty.

"Licenses" -- means licenses, franchises, permits, easements, consents, approvals, rights and other authorizations.

"Lien" -- means any mortgage, lien, security interest, pledge, encumbrance, assessment, restriction on transferability (including rights of first refusal), defect of title, charge, option or claim of any nature whatsoever on any property or property interest. A non-exclusive license or any exclusive license granted to Buyer to use any Computer Systems of the Acquired Companies which is granted by the Acquired Companies in the Ordinary Course of Business is not considered a Lien on that Computer System of the Acquired Companies.

(b) No employee or director of any Acquired Company is a party to, or is otherwise bound by, any agreement or arrangement, including any confidentiality, noncompetition, or proprietary rights agreement, between such employee or director and any other Person ("Proprietary Rights Agreement") that in any way adversely affects or will adversely affect (i) the performance of his duties as an employee or director of the Acquired Companies, or (ii) the ability of any Acquired Company to conduct its business, including any Proprietary Rights Agreement with Sellers or the Acquired Companies by any such employee or director. To Sellers' Knowledge, no director, officer, or other key employee of any Acquired Company intends to terminate his employment with such Acquired Company.

(c) Schedule 3.22 also contains a complete and accurate list of the following information for each retired employee or director of the Acquired Companies, or their dependents, receiving benefits or scheduled to receive benefits in the future: name, pension benefit, pension option election, retiree medical insurance coverage, retiree life insurance coverage, and other benefits.

3.23. LABOR RELATIONS; COMPLIANCE

Since December 31, 1996, no Acquired Company has been or is a party to any collective bargaining or other labor Contract. Since December 31, 1996, there has not been, there is not presently pending or existing, and to Sellers' Knowledge there is not Threatened, (a) any strike, slowdown, picketing, work stoppage, or employee grievance process, (b) any Proceeding against or affecting any Acquired Company relating to the alleged violation of any Legal Requirement pertaining to labor relations or employment matters, including any charge or complaint filed by an employee or union with the National Labor Relations Board, the Equal Employment Opportunity Commission, or any comparable Governmental Body, organizational activity, or other labor or employment dispute against or affecting any of the Acquired Companies or their premises, or (c) any application for certification of a collective bargaining agent. To Sellers' Knowledge no event has occurred or circumstance exists that could provide the basis for any work stoppage or other labor dispute. There is no lockout of any employees by any Acquired Company, and no such action is contemplated by any Acquired Company. Each Acquired Company has complied in all respects with all Legal Requirements relating to employment, equal employment opportunity, nondiscrimination, immigration, wages, hours, benefits, collective bargaining, the payment of social security and similar taxes, occupational safety and health, and plant closing. No Acquired Company is liable for the payment of any compensation, damages, taxes, fines, penalties, or other amounts, however designated, for failure to comply with any of the foregoing Legal Requirements.

3.24. INTELLECTUAL PROPERTY

(a) Intellectual Property Assets--The term "Intellectual Property Assets" includes:

- (i) the names Qualification Technologies, Inc., Qualification Software Consulting and Qualification Development, Kft., all fictional business names, trading names, registered and unregistered trademarks, service marks, and applications (collectively, "Marks");
- (ii) all patents, patent applications, and inventions and discoveries that may be patentable (collectively, "Patents");
- (iii) all copyrights in both published works and unpublished works (collectively, "Copyrights");
- (iv) all rights in mask works (collectively, "Rights in Mask Works"); and
- (v) all know-how, trade secrets, confidential information, customer lists, software, technical information, data, process technology, plans, drawings, and blue prints (collectively, "Trade Secrets"); owned, used, or licensed by any Acquired Company as licensee or licensor.

(b) Agreements--Schedule 3.24(b) contains a complete and accurate list of all Contracts relating to the Intellectual Property Assets to which any Acquired Company is a party or by which any Acquired Company is bound, except for any license implied by the sale of a product and perpetual, paid-up licenses for commonly available software programs with a value of less than \$2,000 under which an Acquired Company is the licensee. There are no outstanding and, to Sellers' Knowledge, no Threatened disputes or disagreements with respect to any such agreement.

(c) Know-How Necessary for the Business

- (i) The Intellectual Property Assets are all those necessary for the operation of the Acquired Companies' businesses as they are currently conducted. One or more of the Acquired Companies is the owner of all right, title, and interest in and to each of the Intellectual Property Assets, free and clear of all liens, security interests, charges, encumbrances, equities, and other adverse claims, and has the right to use without payment to a third party all of the Intellectual Property Assets.
- (ii) The Company has taken reasonable steps to protect and preserve the security, confidentiality and value of the Intellectual Property Assets. Except as set forth on Schedule 3.24(c), all former and current employees of each Acquired Company have executed written Contracts with one or more of the Acquired Companies that assign to one or more of the

Acquired Companies all rights to any inventions, improvements, discoveries, or information relating to the business of any Acquired Company. No employee of any Acquired Company has entered into any Contract that restricts or limits in any way the scope or type of work in which the employee may be engaged or requires the employee to transfer, assign, or disclose information concerning his work to anyone other than one or more of the Acquired Companies.

(d) Patents

(i) Schedule 3.24(d) contains a complete and accurate list and summary description of all Patents. One or more of the Acquired Companies is the owner of all right, title, and interest in and to each of the Patents, free and clear of all liens, security interests, charges, encumbrances, entities, and other adverse claims.

(ii) All of the issued Patents are currently in compliance with formal legal requirements (including payment of filing, examination, and maintenance fees and proofs of working or use), are valid and enforceable.

(iii) No Patent has been or is now involved in any interference, reissue, reexamination, or opposition proceeding. To Sellers' Knowledge, there is no potentially interfering patent or patent application of any third party.

(iv) No Patent is infringed or, to Sellers' Knowledge, has been challenged or threatened in any way. None of the products manufactured and sold, nor any process or know-how used, by any Acquired Company infringes or is alleged to infringe any patent or other proprietary right of any other Person.

(v) All products made, used, or sold under the Patents have been marked with the proper patent notice.

(e) Trademarks

(i) Schedule 3.24(e) contains a complete and accurate list of all Marks. One or more of the Acquired Companies is the owner of all right, title, and interest in and to each of the Marks, free and clear of all liens, security interests, charges, encumbrances, equities, and other adverse claims.

(ii) All Marks that have been registered with the United States Patent and Trademark Office are currently in compliance with all formal legal

requirements (including the timely post-registration filing of affidavits of use and incontestability and renewal applications), are valid and enforceable.

(iii) No Mark has been or is now involved in any opposition, invalidation, or cancellation and, to Sellers' Knowledge, no such action is Threatened with the respect to any of the Marks.

(iv) To Sellers' Knowledge, there is no potentially interfering trademark or trademark application of any third party.

(v) No Mark is infringed or, to Sellers' Knowledge, has been challenged or threatened in any way. None of the Marks used by any Acquired Company infringes or is alleged to infringe any trade name, trademark, or service mark of any third party.

(vi) All products and materials containing a Mark bear the proper federal registration notice where permitted by law.

(f) Copyrights

(i) Schedule 3.24(f) contains a complete and accurate list of all Copyrights. One or more of the Acquired Companies is the owner of all right, title, and interest in and to each of the Copyrights, free and clear of all liens, security interests, charges, encumbrances, equities, and other adverse claims.

(ii) Except as set forth on Schedule 3.24(f), all the Copyrights have been registered and are currently in compliance with formal legal requirements, are valid and enforceable.

(iii) No Copyright is infringed or, to Sellers' Knowledge, has been challenged or threatened in any way. None of the subject matter of any of the Copyrights infringes or is alleged to infringe any copyright of any third party or is a derivative work based on the work of a third party.

(iv) All works encompassed by the Copyrights have been marked with the proper copyright notice.

(g) Trade Secrets

- (i) With respect to each Trade Secret, the documentation relating to such Trade Secret is current, accurate, and sufficient in detail and content to identify and explain it.
- (ii) Sellers and the Acquired Companies have taken reasonable precautions to protect the secrecy, confidentiality, and value of their Trade Secrets.
- (iii) One or more of the Acquired Companies has good title and an absolute (but not necessarily exclusive) right to use the Trade Secrets. The Trade Secrets, to Sellers' Knowledge, have not been used, divulged, or appropriated either for the benefit of any Person (other than one or more of the Acquired Companies) or to the detriment of the Acquired Companies. No Trade Secret is subject to any adverse claim or has been challenged or threatened in any way.

3.25. CERTAIN PAYMENTS


Since December 31, 1996, no Acquired Company or director, officer, agent, or employee of any Acquired Company, or to Seller's Knowledge any other Person associated with or acting for or on behalf of any Acquired Company, has directly or indirectly (a) made any contribution, gift, bribe, rebate, payoff, influence payment, kickback, or other payment to any Person, private or public, regardless of form, whether in money, property, or services (i) to obtain favorable treatment in securing business, (ii) to pay for favorable treatment for business secured, (iii) to obtain special concessions or for special concessions already obtained, for or in respect of any Acquired Company or any Affiliate of an Acquired Company, or (iv) in violation of any Legal Requirement, (b) established or maintained any fund or asset that has not been recorded in the books and records of the Acquired Companies.

3.26. DISCLOSURE

- (a) No representation or warranty of Sellers in this Agreement and no statement on any Schedule hereto omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not misleading.
- (b) No notice given pursuant to Section 7.5 will contain any untrue statement or omit to state a material fact necessary to make the statements therein or in this Agreement, in light of the circumstances in which they were made, not misleading.
- (c) Except for public information, there is no fact known to any Seller that has specific application to such Seller or any Acquired Company (other than general economic or industry conditions) and that materially adversely affects or, as far as any Seller can reasonably foresee, materially threatens, the assets, business, prospects, financial condition, or results of

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

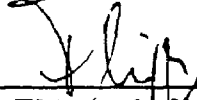
PROFESSIONAL TRAINING SERVICES, INC.


BY: 
Name: MICHAEL LEVINSON
Title: CEO

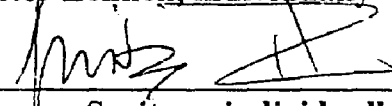
QUALIFICATION TECHNOLOGIES, INC.

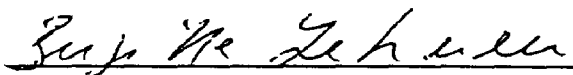
BY: 
Name: CHRISTOPH KNIPPEL
Title: CEO


Stockholders:

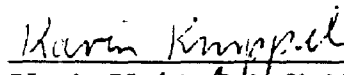

Ludger Flügge, individually



Peter Lehnen, individually


Tamas Szvitacs, individually


Brigitte Lehnen, individually


Holger Knippel, individually


Karin Knippel, individually


Christoph Knippel, individually

STOCK PURCHASE AGREEMENT
By and Among
Professional Training Services, Inc.,
Qualification Technologies, Inc.
and
The Stockholders Thereof
July __, 1997

SCHEDULE 3.24
INTELLECTUAL PROPERTY

3.24 (b) - PTS Agreement; Software License Agreement; Soft Export Agreement; employment contracts with Attila Szepesvary, Laszlo Nyakas, Balint Papp and Tamas Major; contract with student members of University of Economics Student Association and contract with student members of Technical University Student Association, all as described on Schedule 3.18.

Soft/Export, Inc. is entitled to a percentage of the royalties paid by the Buyer under the PTS Agreement described on Schedule 3.18 pursuant to the Commission and Collection Agreement described on Schedule 3.18.

3.24 (c) - No employee of Qualification Software Consulting Vertriebs GmbH has executed a written contract assigning all rights to improvements, discoveries or information relating to the business of that company to any of the Acquired Companies.

The Senior Developer and Developers employed by Qualification Development, Kft. and listed on Schedule 3.22 have executed written contracts assigning all rights to improvements, discoveries or information relating to the business of that company to Qualification Development, Kft. No other employees of Qualification Development, Kft. have executed similar contracts.

3.24 (d) - None.

3.24 (e) - The names "Qualification Technologies, Inc.", "Qualification Software Consulting Vertriebs GmbH" and "Qualification Development, Kft."

See attached list of pending trademark applications.

3.24 (f) - See list of Computer Systems set forth on Schedule 3.10. None of the copyrights in such Computer Systems are registered in the United States.

QUALIFICATION TECHNOLOGIES, INC. - PENDING TRADEMARKS
AS OF: 09JUL1997

CURRENT OWNER DOCKET NUMBER TRADEMARK COUNTRY CURR APP NO CUR APP

Qualification Technologies, Inc. 20491-1 BECAUSE SUCCESS IS FUN U. S. A. 75/249376 27FEB1997

ACTION DUE DATE:
ACTION DUE DATE:
ACTION DUE DATE:

Qualification Technologies, Inc. 20491-1 LEARNING STUDIO U. S. A. 75/249380 27FEB1997

ACTION DUE DATE:
ACTION DUE DATE:
ACTION DUE DATE:

Qualification Technologies, Inc. 20491-1 QUALIFICATION TECHNOLOGIES U. S. A. 75/240297 11FEB1997

ACTION DUE DATE:
ACTION DUE DATE:
ACTION DUE DATE:

Qualification Technologies, Inc. 20491-1 QUALTECH U. S. A. 75/240294 11FEB1997

ACTION DUE DATE:
ACTION DUE DATE:
ACTION DUE DATE:

Qualification Technologies, Inc. 20491-1 TECHNOLOGY FOR BETTER LEARNING U. S. A. 75/249377 27FEB1997

ACTION DUE DATE:
ACTION DUE DATE:
ACTION DUE DATE: