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ET U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

101924889

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): World M+A Network, LLC
Individual(s) Association General Partnership Limited Partnership Corporation-State District of Columbia Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Name: NVST.com, Inc. Internal Address: Street Address: 14450 NE 29th Pl, Suite 108 City: Bellevue State: WA Zip: 98007
Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Washington 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

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other
Execution Date: April 30, 1999

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 2,185,615 B. Trademark Registration No.(s) 2,187,422
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: NVST.com, Inc. Internal Address: Attn: Larry Spokoimy Street Address: 14450 NE 29th Place, Suite 108 City: Bellevue State: WA Zip: 98007

6. Total number of applications and registrations involved: 2
7. Total fee (37 CFR 3.41): \$ 65 Enclosed Authorized 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. Larry Spokoimy Signature Date Dec 12, 2001

Total number of pages including cover sheet, attachments, and document: 34
Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

12/21/2001 DBYRNE 00000028 2185615 40.00 OP 25.00 OP

TRADEMARK REEL: 002412 FRAME: 0412

Asset Purchase Agreement

This Asset Purchase Agreement (the "Agreement") is entered into as of April 30, 1999, by and between NVST.com, Inc. a Washington corporation ("Buyer"), and World M & A Network, LLC, a District of Columbia limited liability company ("WMAN" or "Seller") and John Bailey, the majority member of WMAN

RECITALS

Buyer is in the business of online publishing and commerce for the investment community. Seller conducts a business which publishes merger and acquisition information, including the WMAN periodical and the Done Deals data base of completed transaction information (the "Business"). Buyer desires to acquire from Seller, and Seller desires to sell to Buyer, substantially all of the assets of the Business on the terms and subject to the conditions set forth in this Agreement.

AGREEMENT

In consideration of the mutual agreements, representations, warranties and covenants set forth below, Buyer and Seller agree as follows:

1. Definitions.

1.1 Definitions. As used in this Agreement, the following terms shall have the following meanings:

- (a) "Affiliate" means with respect to any Person, a Person directly or indirectly controlling or controlled by or under common control with such Person.
- (b) "Closing" means the consummation of the transactions contemplated hereby.
- (c) "Closing Date" means the date of the Closing.
- (d) "Code" means the Internal Revenue Code of 1986, as amended.
- (e) "GAAP" means generally accepted accounting principles of the United States as set forth by the Financial Accounting Standards Board.
- (f) "Governmental Authorizations" means the permits, authorizations, consents or approvals of any Governmental Entity which are a condition to the lawful consummation of the transactions contemplated hereby listed on Schedule 1.1(i) to this Agreement.
- (g) "Governmental Entity" means any court, or any federal, state, municipal or other governmental authority, department, commission, board, agency or other instrumentality (domestic or foreign).
- (h) "Lien" means any mortgage, pledge, lien, security interest, option, covenant, condition, restriction, encumbrance, charge or other similar third-party claim of any kind.
- (i) "Material Adverse Effect" with respect to a Person means any event, change or effect that is materially adverse to the condition (financial or otherwise), properties, assets, liabilities, business, operations, results of operations, or prospects of such Person and its Affiliates, taken as a whole.

(j) "Person" means an individual, corporation, partnership, association, trust, government or political subdivision or agent or instrumentality thereof, or other entity or organization.

(k) "Taxes" means all taxes, however denominated, including any interest, penalties or other additions to tax that may become payable in respect thereof, (i) imposed by any federal, territorial, state, local or foreign government or any agency or political subdivision of any such government, for which Buyer could become liable as successor to or transferee of the Business or the Purchased Assets or which could become a charge against or lien on any of the Purchased Assets, which taxes shall include, without limiting the generality of the foregoing, all sales and use taxes, ad valorem taxes, excise taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, real property gains taxes, transfer taxes, payroll and employee withholding taxes, unemployment insurance contributions, social security taxes, and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which are required to be paid, withheld or collected, or (ii) any liability for amounts referred to in (i) as a result of any obligations to indemnify another person.

2. Sale and Purchase

2.1 Transfer of Assets. Subject to the terms and conditions of this Agreement, Seller shall sell, assign, grant, transfer, and deliver (or cause to be sold, assigned, granted, transferred and delivered) to Buyer, and Buyer shall purchase and accept from Seller as of the Closing Date, free and clear of all Liens, all of the Seller's rights, title and interest in and to all of the assets, properties and business owned, held or used in the conduct of the Business by Seller as the same shall exist on the Closing Date (the "Purchased Assets"), including, without limitation:

(a) all real property and leases of and other interests in real property, in each case together with all buildings, fixtures and improvements thereon, including, without limitation, the items listed on Schedule 2.1(a);

(b) all tangible personal property and leases of and other interests in tangible personal property used in connection with the Business, including, without limitation, the items listed on Schedule 2.1(b);

(c) all raw materials, work-in-process, finished goods, supplies and other inventories of the Business (the "Inventories");

(d) all rights under contracts, agreements, leases and other interests in real and personal property, licenses, commitments, sales and purchase orders and other instruments, including, without limitation, the items listed on Schedule 2.1(d) (collectively the "Contracts");

(e) all accounts receivable, notes receivable and other receivables;

(f) all prepaid expenses relating to the operation of the Business including, but not limited to Taxes, leases and rentals;

(g) all of Seller's rights, claims, credits, causes of action or rights of set-off against third parties relating to the Purchased Assets, including, without limitation, unliquidated rights under warranties;

(h) all copyrights, copyright registrations, proprietary processes, trade secrets, license rights, specifications, technical manuals and data, drawings, inventions, designs, patents, patent applications, trade names, trademarks, service marks, product information and data, know-how and development work-in-progress, customer lists, software, business and marketing plans and other intellectual or intangible property embodied in or pertaining to the Business, whether pending, applied for or issued, whether filed in the United States or in other countries, including without limitation the items listed in Schedule 2.1(h), together with all associated goodwill;

(i) all things authored, discovered, developed, made, perfected, improved, designed, engineered, acquired, produced, conceived or first reduced to practice by Seller or any of its employees or agents that are embodied in, derived from or relate to the Business, in any stage of development, including, without limitation, modifications, enhancements, designs, concepts, techniques, methods, ideas, flow charts, coding sheets, notes and all other information relating to the Business;

(j) any and all design and code documentation, methodologies, processes, trade secrets, copyrights, design information, product information, technology, formulae, routines, engineering specifications, technical manuals and data, drawings, inventions, know-how, techniques, engineering work papers, and notes, development work-in-process, and other proprietary information and materials of any kind relating to, used in, or derived from the Purchased Assets (collectively with subsections (h) and (i), the "Intellectual Property");

(k) all permits, authorizations, consents and approvals of any Governmental Entity affecting or relating in any way to the Business, including without limitation, the items listed on Schedule 2.1(k) (the "Permits");

(l) all books, records files and papers, whether in hard copy or electronic format, used in the Business, including without limitation, engineering information, sales and promotional literature, manuals and data, sales and purchase correspondence, lists of present, former and prospective suppliers or customers, personnel and employment records, and any information relating to Taxes imposed on the Business or Purchased Assets;

(m) all computer software programs, data and associated licenses used in connection with the Business; and

(n) all goodwill associated with the Business or the Purchased Assets, together with the right to represent to third parties that Buyer is the successor to the Business.

Notwithstanding the foregoing, Purchaser recognizes that certain technology consisting of database software and content commercially known as "Done Deals," while part of the Business, is subject to the terms of an Exclusive License Agreement to be executed at Closing and that technology is not within the definition of Purchased Assets or Business; the relative rights, duties and obligations of the parties shall be as set forth in the Exclusive License Agreement.

2.2 Transfer of Liabilities. Subject to the terms and conditions of this Agreement, Buyer agrees, effective as of the Closing Date, to assume the following liabilities (the "Assumed Liabilities").

(a) the liability of Seller for all subscriptions on the books of Seller as of the Closing Date; and

(b) the liability of Seller for the premises sublease for space located at 717 D Street, N.W., Suite 300, Washington, D.C. 20004, which lease provides for a monthly rental payment of \$936 through December 31, 1999 and on a month to month basis thereafter.

(c) the liabilities and obligations of Seller arising under the Contracts, other than the liabilities attributable to any failure by Seller to comply with the terms thereof.

2.3 Excluded Liabilities. Except for those liabilities expressly assumed by Buyer pursuant to Section 2.2, Buyer shall not assume and shall not be liable for, and Seller and its direct or indirect subsidiaries shall retain and remain solely liable for and obligated to discharge, all of the debts, contracts, agreements, commitments, obligations and other liabilities of any nature whatsoever of Seller and its direct and indirect subsidiaries, whether known or unknown, accrued or not accrued, fixed or contingent, including without limitation, the following:

(a) Any liability for breaches by Seller or any of its respective direct or indirect subsidiaries on or prior to the Closing Date of any contract or any other instrument, contract or purchase order or any liability for payments or amounts due under any Contract or any other instrument, contract or purchase order on or prior to the Closing Date;

(b) Any liability or obligation for Taxes attributable to or imposed upon Seller or any of its direct or indirect subsidiaries, or attributable to or imposed upon the Purchased Assets for any period (or portion thereof) through the Closing Date, including, without limitation, any Taxes attributable to or arising from the transactions contemplated by this Agreement;

(c) Any liability or obligation for or in respect of any loan, other indebtedness for money borrowed, or account payable of Seller or any of its direct or indirect subsidiaries, including any such liabilities owed to Affiliates of Seller;

(d) Any liability or obligation arising as a result of any legal or equitable action or judicial or administrative proceeding initiated at any time, to the extent relating to any action or omission on or prior to the Closing Date by or on behalf of Seller or any of its direct or indirect subsidiaries, including, without limitation, any liability for infringement of intellectual property rights, breach of product warranty, injury or death caused by products, or violations of federal or state securities or other laws;

(e) Any liability or obligation arising on or prior to the Closing Date out of any "employee benefit plan," as such term is defined by the Employee Retirement Income Security Act of 1974 ("ERISA") or other employee benefit plans;

(f) Any liability or obligation for making payments of any kind (including as a result of the sale of Purchased Assets or as a result of the termination of employment by Seller of employees, or other claims arising out of the terms and conditions of employment with Seller, or for vacation or severance pay or otherwise) to employees of Seller or in respect of payroll taxes for employees of Seller;

(g) Any liability of Seller incurred in connection with the making or performance of this Agreement and the transactions contemplated hereby;

(h) Any liability of Seller arising out of the violation of or failure to comply with any state, federal or local environmental statute, rule or regulation applicable to any aspect of the Business; and

(i) Any costs or expenses of Seller incurred in connection with shutting down, deinstalling and removing equipment not purchased by Buyer, and the costs associated with all contracts and agreements not assumed by Buyer.

2.4 Purchase Price.

(a) Subject to the performance by Seller of all of its obligations under this Agreement (including delivering all documents required to be delivered) at the Closing, in consideration of the acquisition of the Purchased Assets under Section 2.1, Buyer agrees (a) to deliver to Seller \$25,000, subject to adjustment as provided in Section 2.5 (the "Immediate Consideration") and commencing one month after the Closing Date and occurring monthly thereafter, in further consideration at the acquisition of the Purchased Assets under Section 2.1 Buyer agrees to deliver to Seller \$8,888.89 (each a "Monthly Payment") until the Monthly Payments total \$80,000 (the "Additional Consideration"), (b) the grant of an option (the "Options") to Seller to purchase 30,000 shares of the Buyer's Common Stock at an exercise price of \$0.20 per share (the Options together with the Additional Consideration, Immediate Consideration, being the "Purchase Price"). The Options shall vest in forty-eight (48) equal monthly installments. Vesting will, of course, depend on Seller's continued performance under this agreement. The Options will be an incentive stock option to the maximum extent allowed by the Internal Revenue Code of 1986, as amended, and will be subject to the terms of the Buyer's 1998 Stock Option Plan and the Stock Option Agreement between Seller and the Buyer.

(b) Notwithstanding the above, in the event that (i) Bailey's Employment Agreement entered into pursuant to Section 8.9 hereof is terminated by the Buyer or a successor to the Buyer other than for Cause (as defined in Section 7 of Exhibit B), (ii) a firm commitment underwritten public offering by the Buyer of shares of its Common Stock pursuant to a registration statement on Form S-1 under the Securities Act, (iii) Bailey's job duties, responsibilities and requirements as Employee are materially reduced or changed such that they are inconsistent with Employee's prior duties, responsibilities and requirements, in either case in connection with, or as a result of, a Change of Control (as defined below), then all unvested Options shall immediately vest and shall become exercisable on the effective date of such termination, reduction or change. For purposes of this Agreement, "Change of Control" shall mean the occurrence of any of the following events: (i) an acquisition of the Buyer by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation but excluding any merger effected exclusively for the purpose of changing the domicile of the Buyer), or (ii) a sale of all or substantially all of the assets of the Buyer (collectively, a "Merger"), so long as in either case (x) the Buyer's stockholders of record immediately prior to such Merger will, immediately after such Merger, hold less than 50% of the voting power of the surviving or acquiring entity, or (y) the Buyer's stockholders of record immediately prior to such Merger will, immediately after such Merger, hold less than 60% of the voting power of the surviving or acquiring entity

and a majority of the members of the Board of Directors of the surviving or acquiring entity immediately after such Merger were not members of the Board of Directors of the Buyer immediately prior to such Merger.

(c) In the event that any stock option acceleration benefits provided for in this Agreement (a) constitute "parachute payments" within the meaning of Section 2806 of the Internal Revenue Code of 1986, as amended (the "Code") and (b) but for this Section 2, would be subject to the excise tax imposed by Section 4999 of the Code, then Bailey's acceleration benefits under this Section 2 shall be payable either:

(i) in full, or

(ii) as to such lesser amount which would result in no portion of such benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by Employee on an after-tax basis, of the greatest amount of benefits under Section 1.4, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code. Unless the Buyer or Bailey otherwise agree in writing, any determination required under this Section 2 shall be made in writing by independent public accountants appointed by Bailey and reasonably acceptable to the Buyer (the "Accountants"), whose determination shall be conclusive and binding upon Bailey and the Buyer for all purposes. For purposes of making the calculations required by this Section 2, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 2806 and 4999 of the Code. The Buyer and Bailey shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 2. The Buyer shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 2.

2.5 Intentionally Omitted.

2.6 Allocation of Purchase Price. The Purchase Price shall be allocated among the Purchased Assets as provided in an exhibit to be prepared by Buyer for purposes of complying with the requirements of Section 1060 and the regulations thereunder. Buyer and Seller agree to each prepare and file on a timely basis with the Internal Revenue Service (and applicable state tax authorities) substantially identical and supplemental Internal Revenue Service Forms 8594 (and corresponding state tax forms) consistent with Buyer's allocation of the Purchase Price. If any Tax authority challenges such allocation, the party receiving notice of such challenge shall give the other prompt written notice thereof and the parties shall cooperate in order to preserve the effectiveness of such allocation.

3. Closing

3.1 Closing. Subject to the terms and conditions of this Agreement, the Closing shall take place on such date, as soon as practicable after all conditions precedent in Sections 8 and 9 have been satisfied or waived, as the parties may agree, but in any case, no later than May __, 1999 (the "Closing Date").

3.2 Actions at the Closing. At the Closing, Seller shall deliver the Purchased Assets to Buyer, Buyer shall deliver the Immediate Consideration to Seller, and Buyer and Seller shall take such actions and execute and deliver such agreements, bills of sale, and other instruments and documents as necessary or appropriate to effect the transactions contemplated by this Agreement in accordance with its terms, including without limitation the following:

(a) Bill of Sale; Assignment and Assumption Agreement. Seller shall deliver to Buyer a general Bill of Sale substantially in the form attached as Exhibit A-1 and with respect to each Contract, or item of Intellectual Property, an Assignment and Assumption Agreement substantially in the form attached as Exhibit A-2 (the "Transfer Documents") in each case duly executed by Seller, and in the aggregate assigning to Buyer all of Seller's right, title and interest in and to the Purchased Assets

(b) Purchase Price. Buyer shall deliver the Immediate Consideration to Seller.

(c) Title. Seller shall provide reasonable evidence of valid title to such of the Purchased Assets as Buyer may reasonably request in writing prior to the Closing, in form and substance reasonably satisfactory to Buyer.

(d) Third Party Consents and Assignments. Seller shall deliver to Buyer any assignments, and any required consents to assignment, that it has obtained in respect of the Contracts, duly executed by parties having the authority to so assign or consent to assign, in form and substance as Buyer shall reasonably request, as well as a written confirmation from such third parties that the Contracts are in good standing.

(e) Seller Documents. At the Closing, Seller shall deliver to Buyer any and all documents required to satisfy the conditions set forth in Section 9 of this Agreement and any other closing documents reasonably requested by Buyer.

(f) Buyer Documents. At the Closing, Buyer shall deliver to Seller any and all documents required to satisfy the conditions set forth in Section 8 of this Agreement and any other closing documents reasonably requested by Seller.

(g) Post-Closing Actions. Subsequent to the Closing Date, Seller shall, and shall cause any Affiliate of Seller to, from time to time execute and deliver, upon the request of Buyer, all such other and further materials and documents and instruments of conveyance, transfer or assignment as may reasonably be requested by Buyer to effect, record or verify the transfer to and vesting in Buyer of Seller's and any of Seller's Affiliates' right, title and interest in and to the Purchased Assets, free and clear of all Liens in accordance with the terms of this Agreement.

4. Representations and Warranties of Seller and Bailey.

Each representation and warranty set forth below is qualified by any exception or disclosures set forth in the Seller Disclosure Schedule attached hereto. In all other respects, each representation and warranty set out in this Section 4 is not qualified in any way whatsoever, will not merge on Closing or by reason of the execution and delivery of any agreement, document or instrument at the Closing, will remain in force on and after the Closing Date, is given with the intention that liability is not confined to breaches discovered before Closing, is separate and independent and is not limited by reference to any other representation or warranty or any other provision of this Agreement, and is made and given with the intention of inducing the Buyer to enter into this Agreement. Each of Seller and Bailey, jointly and severally, represents and warrants to Buyer as follows:

4.1 Organization, Standing and Power. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of its jurisdiction of organization. Seller has the requisite power and authority and all necessary permits, authorizations, consents, and approvals of all Governmental Entities to own, lease and operate its properties and to carry on the Business as now being conducted and as proposed to be conducted, except where the failure to have such power, authority and governmental approvals would not, individually or in the aggregate, have a Material Adverse Effect on the Business. Seller is duly qualified or licensed as a foreign entity to do business, and is in good standing, in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its business makes such qualification or licensing necessary, except for failures to be so qualified or licensed and in good standing that would not, individually or in the aggregate, have a Material Adverse Effect on the Business.

4.2 Authority. The execution and delivery of this Agreement (and all other agreements and instruments contemplated under this Agreement) by Seller, the performance by Seller of its obligations hereunder and thereunder, and the consummation by Seller of the transactions contemplated hereby and thereby have been duly authorized by all necessary action by the managers and members of Seller, and no other act or proceeding on the part of or on behalf of Seller or its members is necessary to approve the execution and delivery of this Agreement and such other agreements and instruments, the performance by Seller of its obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby. The manager of Seller executing this Agreement has the power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Seller pursuant hereto, to consummate the transactions hereby and thereby contemplated and to take all other actions required to be taken by Seller pursuant to the provisions hereof and thereof.

4.3 Execution and Binding Effect. This Agreement has been duly and validly executed and delivered by Seller and constitutes, and the other agreements and instruments to be executed and delivered by Seller and Bailey pursuant hereto, upon their execution and delivery by Seller and Bailey, will constitute (assuming, in each case, the due and valid authorization, execution and delivery thereof by Buyer), legal, valid and binding agreements of Seller and Bailey, as the case may be, enforceable against them in accordance with their respective terms.

4.4 Consents and Approvals of Governmental Entities. Other than the Governmental Authorizations there is no requirement applicable to Seller to make any filing, declaration or registration with, or to obtain any permit, authorization, consent or approval of, any Governmental Entity as a condition to the lawful consummation by Seller or Bailey of the transactions contemplated by this Agreement and the other agreements and instruments to be executed and delivered by Seller or Bailey pursuant hereto or the consummation by Seller or Bailey of the transactions contemplated herein or therein.

4.5 No Violation. Neither the execution, delivery and performance of this Agreement and all of the other agreements and instruments to be executed and delivered pursuant hereto, nor the consummation of the transactions contemplated hereby or thereby, will, with or without the passage of time or the delivery of notice or both, (a) conflict with, violate or result in any breach of the terms, conditions or provisions of the Operating Agreement of Seller, (b) conflict with or result in a violation or breach of, or constitute a default or require consent of any Person (or give rise to any right of termination, cancellation or acceleration) under, any of the terms, conditions or provisions of any contract, notice, bond, mortgage, indenture, license, franchise, permit, agreement, lease or other instrument or obligation to which Seller or Bailey is a party or by which Seller or any of the Purchased Assets may be bound, (c) violate any statute, ordinance or law or any rule, regulation, order, writ, injunction or decree of any Governmental Entity applicable to Seller or Bailey or by which any properties or assets of either of them may be bound, or (d) result in any cancellation of, or obligation to repay, any grant, loan or other financial assistance received by Seller or Bailey from any Governmental Entity. No "bulk sales" legislation applies to the transactions contemplated by this Agreement.

4.6 Consents. Schedule 4.6 sets forth each agreement, contract or other instrument binding upon Seller requiring a consent as a result of the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby, except such consents as would not, individually or in the aggregate, have a Material Adverse Effect if not received by the Closing Date (each a "Required Consent").

4.7 Financial Information. Seller and Bailey have made available all financial information requested by Buyer. The financial information provided by Seller to Buyer is substantially complete and accurate in all material respects. Such financial information has not, however, been prepared in accordance with GAAP.

4.8 No Undisclosed Liabilities. Seller does not have any liability, indebtedness, obligation, expense, claim, deficiency, guaranty or endorsement of any type, in excess of \$1,000 individually or in the aggregate, whether accrued, absolute, contingent, matured, unmatured or other which has not been disclosed to Buyer, either by specific reference in this Agreement or in financial information disclosed by Seller.

4.9 Assets Generally.

(a) The Purchased Assets include all properties, tangible and intangible, and only such properties, currently used by Seller in operating the Business and necessary for Buyer to operate the Business after the Closing Date in a manner substantially equivalent to the manner in which Seller has operated the Business prior to and through the Closing Date. Other than the Required Consents and the Governmental Approvals, no licenses or other consents from, or payments to, any other Person are or will be necessary for Buyer to operate the Business and use the Purchased Assets in the manner in which Seller has operated the same.

(b) Seller holds good and marketable title, license to or leasehold interest in all of the Purchased Assets and has the complete and unrestricted power and the unqualified right to sell, assign and deliver the Purchased Assets to Buyer. Upon consummation of the transactions contemplated by this Agreement, Buyer will acquire good and marketable title, license or leasehold interest to the Purchased Assets free and clear of any Liens and there exists no restriction on the use or transfer of the Purchased Assets, except as may be assumed hereunder by Buyer as an Assumed Liability. No Person other than Seller has any right or interest in the Purchased Assets, including the right to grant interests in the Purchased Assets to third parties, except for Purchased Assets licensed or leased from third parties which are set forth in the Seller Disclosure Schedule and identified as such.

(c) None of the Purchased Assets that constitute tangible personal property is held under any lease, security agreement, conditional sales contract, lien, or other title retention or security arrangement.

(d) Except as provided in this Agreement, no restrictions will exist on Buyer's right to sell, resell, license or sublicense any of the Purchased Assets or engage in the Business, nor will any such restrictions be imposed on Buyer as a consequence of the transactions contemplated by this Agreement or by any agreement referenced in this Agreement.

(e) All of the Purchased Assets are in good operating condition and repair, as required for their use in the Business as presently conducted, and conform to all applicable laws, and no notice of any violation of any law relating to any of the Purchased Assets or Assumed Liabilities has been received by Seller.

4.10 Intellectual Property.

(a) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby (including without limitation the continued conduct by Buyer after the Closing Date of the Business as presently conducted by Seller and the incorporation of any Intellectual Property in any product of Buyer or an affiliate of Buyer) will not breach, violate or conflict with any instrument or agreement governing any intellectual property necessary or required for, or used in, the conduct of the Business as presently conducted and will not cause the forfeiture or termination or give rise to a right of forfeiture or termination of any such Intellectual Property or in any material way impair the right of Buyer or any of its affiliates to use, sell, license or dispose of, or to bring any action for the infringement of, any such intellectual property or portion thereof, Buyer shall nonetheless

be subject to the limitations, conditions and restrictions of use with respect any commercially available software used in the Business;

(b) Neither the development, manufacture, marketing, license, sale or use of any product or intellectual property currently licensed, used or sold by Seller or currently under development violates or will violate any license or agreement to which Seller is a party or infringes or will infringe any copyright, patent, trademark, service mark, trade secret or other intellectual property or other proprietary right of any other party. All registered trademarks, service marks, patents and copyrights held by Seller are valid and subsisting. There is no pending or threatened claim or litigation contesting the validity, ownership or right to use, sell, license or dispose of any of the Purchased Assets (including without limitation the Intellectual Property) necessary or required for, or used in, the conduct of the business of Seller as presently conducted nor is there any basis for any such claim, nor has Seller received any notice asserting that any such Purchased Asset (including without limitation the Intellectual Property) or the proposed use, sale, license or disposition thereof conflicts or will conflict with the rights of any other party, nor is there any basis for any such assertion. There is no material unauthorized use, infringement or misappropriation on the part of any third party of the Purchased Assets (including without limitation the Intellectual Property); and

(c) Seller has taken reasonable steps (including, without limitation, entering into confidentiality and non-disclosure agreements with all officers and employees of and consultants to Seller with access to or knowledge of the Purchased Assets (including without limitation the Intellectual Property) to maintain the secrecy and confidentiality of, and its proprietary rights in, the Purchased Assets (including without limitation the Intellectual Property) necessary or required for, or used in, the conduct of the business of Seller as presently conducted. The Seller Disclosure Schedule contains a complete and accurate list of all applications, filings and other formal actions made or taken pursuant to federal, state, local and foreign laws by Seller to perfect or protect its interest in the Purchased Assets, including, without limitation, all patents, patent applications, trademarks, trademark applications, service marks and copyright or mask work registrations.

(d) All fees to maintain Seller's rights in the Intellectual Property, including, without limitation, patent and trademark registration and prosecution fees and all professional fees in connection therewith pertaining to the Intellectual Property due and payable on or before the Closing Date, have been paid by Seller or will be paid by Seller within a reasonable period after the Closing

4.11 Supply Agreements.

(a) The Seller Disclosure Schedule contains a list (including names, addresses, contact names and telephone numbers), which is complete in all material respects, of all agreements or other arrangements pursuant to which Seller is obligated to supply products, perform services or otherwise engage in the conduct of the Business (such agreements, as supplemented below, are referred to collectively as the "Supply Agreements"). Seller has provided a true and complete copy of all Supply Agreements to Buyer. All such Supply

Agreements are in full force and effect and are valid and effective in accordance with their respective terms against Seller, as the case may be, and against the other party thereto. Seller holds right, title and interest under the terms of each Supply Agreement free of all Liens. Seller is not in default under any such Supply Agreements (or has caused an event which with notice or lapse of time, or both, would constitute a default), nor is the other party thereto in default (or has caused an event which with notice or lapse of time, or both, would constitute a default) under any such Supply Agreements.

(b) Seller has not entered into any agreement under which Seller is restricted from selling, licensing or otherwise distributing any products or services to any class of customers, in any geographic area, during any period of time or in any segment of the market.

(c) After the Closing, Buyer will not be prevented by any act of Seller from changing prices charged to existing or future customers of any products or services.

(d) Seller has not granted any third party the right to supply any products or services of the Business to any other third party. No agreement for supply of the products or services by Seller obligates Seller, and no agreement would obligate Buyer after the Closing Date, to provide any change in specification of such products or services or to provide new products or services. No agreement pursuant to which Seller has licensed the use of any products to any third party obligates Seller to provide any change in specification in the performance of such products or to provide new products or services.

4.12 Warranties and Indemnities. The Seller Disclosure Schedule sets forth a summary of all warranties and indemnities, express or implied, relating to products sold or services rendered by Seller, and no warranty or indemnity has been given by Seller which is not listed on the Seller Disclosure Schedule or which differs therefrom in any respect. Seller is in compliance with all warranties described in the Seller Disclosure Schedule. The Seller Disclosure Schedule also indicates all warranty and indemnity claims currently pending against Seller.

4.13 Real Property. Seller does not own any real property which relates to the Business. The Purchased Assets do not include (i) any owned real property or (ii) any material structures on any real property.

4.14 Inventories. All of the Inventories are and will be items of a quality usable or salable in the ordinary and usual course of business.

4.15 Accounts Receivable. All accounts receivable, notes receivable and other receivables included in the Purchased Assets are valid, genuine and fully collectible in the aggregate amount thereof, subject to normal and customary trade discounts. All accounts, notes receivable, and other receivables arising out of or relating to the Business on the Closing Date have been disclosed to Buyer.

4.16 Licenses and Permits. Seller holds all consents, approvals, registrations, certifications, authorizations, permits and licenses of, and has made all filings with, or notifications to, all Governmental Entities pursuant to applicable requirements of all federal, state, local and foreign laws, ordinances, governmental rules or regulations applicable to the business, including, but not limited to, all such laws, ordinances, governmental rules or regulations relating to registration of the products of the Business (at their current level of development and use) and certification of the facilities of the Business. The Business is in compliance with all federal, state, local and foreign laws, ordinances, governmental rules and regulations relating to the products manufactured by the Business or otherwise related to the Business and Seller has no reason to believe that any consents, approvals, authorizations, registrations, certifications, permits, filings or notifications that it has received or made to operate the Business are invalid or have been or are being suspended, canceled, revoked or questioned. There is no investigation or inquiry to which Seller or Bailey is a party or, to Seller's knowledge, pending or threatened, relating to the Business and its compliance with applicable foreign, state, local or foreign laws, ordinances, governmental rules or regulations. Each such consent, approval, registration, certification, authorization, permit or license is transferable and shall be transferred to Buyer in accordance with the terms of this Agreement.

4.17 Employees.

(a) Seller has one (1) employee, whose salary and benefits are set forth on Schedule 4.17. None of Seller's employees, consultants, officers or directors is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would conflict with their obligation to promote the interests of Seller with regard to the Business or the Purchased Assets or that would conflict with the Business or the Purchased Assets. Neither the execution nor the delivery of this Agreement, nor the carrying on of the Business by its employees and consultants, will conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any contract, covenant or instrument under which any of such persons or entities are now obligated. It is currently not necessary nor will it be necessary for Seller to utilize in the Business any inventions of any of such persons or entities (or people it currently intends to hire) made or owned prior to their employment by or affiliation with Seller, nor is it or will it be necessary to utilize any other assets or rights of any such persons or entities (or people it currently intends to hire) made or owned prior to their employment with or engagement by Seller, in violation of any registered patents, trade names, trademarks or copyrights or any other limitations or restrictions to which any such persons or entity is a party or to which any of such assets or rights may be subject. To the Seller's knowledge, none of Seller's employees, consultants, officers, directors or shareholders that has had knowledge or access to information relating to the Purchased Assets has taken, removed or made use of any proprietary documentation, manuals, products, materials, or any other tangible item from his or her previous employer relating to the Purchased Assets by such previous employer which has resulted in Seller's access to or use of such proprietary items included in the Purchased Assets, and Seller will not gain access to or make use of any such proprietary items in the Business, except to the extent that any such activities would not have a material adverse effect on the Purchased Assets or the Business.

(b) There are no written or oral contracts of employment between Seller and any Employee.

(c) The Seller is not a party to a collective bargaining agreement with any trade union, the Seller's employees are not members of a trade union certified as a bargaining agent with the Seller and no proceedings to implement any such collective bargaining agreement or certifications are pending.

4.18 Employee Benefit and Compensation Plans. Buyer will incur no liability with respect to, or on account of, and Seller will retain any liability for, and on account of, any employee benefit plan of Seller, any of its Affiliates or any predecessor employer of any employee, including, but not limited to, liabilities Seller may have to such employees under all employee benefit schemes, incentive compensation plans, bonus plans, pension and retirement plans, vacation, profit-sharing plans (including any profit-sharing plan with a cash-or-deferred arrangement) share purchase and option plans, savings and similar plans, medical, dental, travel, accident, life, disability and other insurance and other plans or arrangements, whether written or oral and whether "qualified" or "non-qualified," or to any employee as a result of termination of employment by Seller as contemplated by this Agreement. Seller has not, with respect to any employee, maintained or contributed to, or been obligated or required to contribute to, any retirement or pension plan or any employee benefit plan. Seller is not a party to any collective bargaining agreement covering any employee and Seller knows of no effort to organize any such employee as a part of any collective bargaining unit. The Seller has complied with all of its obligations (including obligations to make contributions) in respect of the pension funds of which its employees are members, there is no outstanding liability of the Seller or any of its Affiliates to any such funds and all such funds are fully funded to meet all potential claims for benefits by any and all such employees and any former employee.

4.19 Taxes. All Taxes which are due and payable have been or will be paid by Seller for all periods (or portions thereof) prior to and including the Closing Date. Seller and any other person required to file returns or reports of Taxes have duly and timely filed (or will file prior to the Closing Date) all returns and reports of Taxes required to be filed prior to such date, and all such returns and reports are true, correct, and complete. There are no unsatisfied liens for Taxes on any of the Purchased Assets. Seller has complied with all record keeping and tax reporting obligations relating to income and employment taxes due with respect to compensation paid to employees or independent contractors providing services to the Business. Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Code. There are no pending or, to Seller's knowledge, threatened proceedings with respect to Taxes, and there are no outstanding waivers or extensions of statutes of limitations with respect to assessments of Taxes. No agreement or arrangement regarding compensation of any employee providing services to the Business provides for any payments which could result in a nondeductible expense to the Buyer pursuant to Section 280G of the Code or an excise tax to the recipient of such payment pursuant to Section 4999 of the Code.

4.20 Compliance with Law. The operation of the Business has been conducted in all material respects in accordance with all applicable laws, regulations and other requirements of Governmental Entities having jurisdiction over the same and if Seller continues to operate the Business, it will continue to comply with all applicable laws, regulations and other requirements of Governmental Entities having jurisdiction over the same.

4.21 Environmental Matters. To the extent that failure to do so or be so would have a Material Adverse Effect upon the Purchase Assets, Seller is in compliance with all federal, state, local and foreign laws related to health and occupational safety, environment and hazardous materials and employment practices that are applicable to the Seller or its business related to the Purchased Assets, and Seller has conducted its business relating to the Purchased Assets in compliance with the foregoing laws.

4.22 Material Contracts.

(a) Schedule 4.22 contains a list of all Contracts which are material to the Business ("Material Contracts"). "Material Contracts" shall include, without limitation, the following:

(i) each Contract, under the terms of which Seller, on behalf of the Business: (A) paid or otherwise gave consideration of more than \$1,000 in the aggregate during the fiscal year ended December 31, 1998, (B) is likely to pay or otherwise give consideration of more than \$1,000 in the aggregate during the fiscal year ended December 31, 1999, (C) is likely to pay or otherwise give consideration of more than \$1,000 in the aggregate over the remaining term of such contract or (D) cannot be canceled without penalty or further payment;

(ii) all contracts and agreements (excluding routine checking account overdraft agreements involving petty cash amounts) under which the Business has created, incurred, assumed or guaranteed (or may create, incur, assume or guarantee) indebtedness or under which the Business has imposed (or may impose) a security interest or lien on any of its assets, whether tangible or intangible, to secure indebtedness;

(iii) all contracts and agreements that limit the ability of any Person related to the Business, or any of its affiliates, to compete in any line of business or with any person or in any geographic area or during any period of time, or to solicit any customer or client;

(iv) all Contracts pursuant to which the Business has agreed to supply products to a customer at specified prices, whether directly or through a specific distributor, manufacturer's representative or dealer; and

(v) all other Contracts (A) which are material to the Business or (B) the absence of which would have a Material Adverse Effect on the Business, or (C) which are believed by Seller to be of unique value even though not material to the Business.

(b) Except as would not, individually or in the aggregate, have a Material Adverse Effect on the Business, each license and each Material Contract is a legal, valid and binding

agreement, and none of the Material Contracts is in default by its terms or has been canceled by the other party; Seller is not in receipt of any claim of default under any such agreement; and Seller does not anticipate any termination or change to, or receipt of a proposal with respect to, any such agreement as a result of the transactions contemplated hereby. Seller has furnished Buyer with true and complete copies of all such agreements together with all amendments, waivers or other changes thereto.

4.23 Products. Each of the products and services produced, sold or provided by Seller in connection with the Business is, and at all times has been, in compliance in all material respects with all applicable federal, state, local and foreign laws and regulations and is, and at all relevant times has been, fit for the ordinary purposes for which it is intended to be used and conforms in all material respects to any promises or affirmations of fact made in connection with the sale of such product or service. There is no design defect with respect to any of such products, and each of such products contains adequate warnings, presented in a reasonably prominent manner, in accordance with applicable laws and current industry practice with respect to its contents and use.

4.24 Product Liability. There are no claims, actions, suits, inquiries, proceedings or investigations pending by or against Seller, relating to any products the Business and containing allegations that such products are defective or were improperly designed or manufactured or improperly labeled or otherwise improperly described for use.

4.25 Litigation; Other Claims.

(a) There are no claims, actions, suits, inquiries, proceedings, or investigations against Seller, or any of its officers, directors or shareholders, relating to the Business, the Purchased Assets or Seller's employees which are currently pending or threatened, at law or in equity or before or by any Governmental Entity, or which challenges or seeks to prevent, enjoin, alter or materially delay any of the transactions contemplated hereby, nor is Seller aware of any basis for such claims, actions, suits, inquiries, proceedings, or investigations; and no Governmental Entity has at any time challenged or questioned the legal right of Seller to manufacture, offer or sell any of its products or services in the present manner or style thereof.

(b) There are no grievance or arbitration proceedings pending or threatened, and there are no actual or threatened strikes or work stoppages with respect to the Business, the Purchased Assets or Seller's employees, nor is Seller aware of any basis for such proceedings or events.

4.26 Defaults. Seller is not in default under or with respect to any judgment, order, writ, injunction or decree of any court or any Governmental Entity which could reasonably be expected to have a Material Adverse Effect on the Business or any of the Purchased Assets. There does not exist any default by Seller or by any other Person, or event that, with notice or lapse of time, or both, would constitute a default under any agreement entered into by Seller as part of the operations of the Business which could reasonably be expected to have a Material

and Adverse Effect on the Business or the Purchased Assets, and no notices of breach thereof have been received by Seller.

4.27 Schedules. The schedules describing the Purchased Assets are complete and accurate and describe the assets in the possession of, or used by Seller in connection with the Business.

4.28 Full Disclosure. Seller is not aware of any facts pertaining to the Purchased Assets which affect the Business or the Purchased Assets in a materially adverse manner or which will in the future affect the Business or the Purchased Assets in a materially adverse manner. Neither this Agreement nor any other agreement, exhibit, schedule or officer's certificate being entered into or delivered pursuant to this Agreement contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements contained in such document not misleading.

4.29 Brokers and Finders. Neither Seller nor any of its officers, directors or employees has employed any broker or finder or incurred any liability for any brokerage fee, commission or finder's fee in connection with the transactions contemplated by this Agreement.

4.30 Fair Consideration; No Fraudulent Conveyance. The sale of the Purchased Assets pursuant to this Agreement is made in exchange for fair and equivalent consideration. Seller is not now insolvent and will not be rendered insolvent by the sale, transfer and assignment of the Purchased Assets pursuant to the terms of this Agreement. Seller is not entering into this Agreement or any of the other agreements referenced in this Agreement with the intent to defraud, delay or hinder its creditors and the consummation of the transactions contemplated by this Agreement, and the other agreements referenced in this Agreement, will not have any such effect. The transactions contemplated in this Agreement or any agreements referenced in this Agreement will not constitute a fraudulent conveyance, or otherwise give rise to any right of any creditor of Seller to any of the Purchased Assets after the Closing.

4.31 Insurance. The Seller Disclosure Schedule lists all insurance policies and fidelity bonds covering the Purchased Assets. There is no claim by Seller pending under any of such policies or bonds as to which coverage has been questioned, denied or disputed by the underwriters of such policies and bonds. All premiums due and payable under all such policies and bonds have been paid and Seller is otherwise in material compliance with the terms of such policies and bonds (or other policies and bonds providing substantially similar insurance coverage). There is no threatened termination of, or material premium increase with respect to, any of such policies.

4.32 Year 2000. To the extent applicable, the Purchased Assets, including, without limitation, any time-and-date related codes, data entry features and internal subroutines thereof, are designed (a) to automatically accommodate the change in the date from December 31, 1999 to January 1, 2000 without negatively affecting the Purchased Assets' performance;

and (b) to accurately accept, reflect and calculate all dates that are relevant to the Purchased Assets' performance.

4.33 The representations and warranties of Seller and Bailey under this Section 4 and under this Agreement shall survive for a period of two (2) years from the Closing Date (other than those representations and warranties pertaining to Taxes, which shall survive until expiration of the applicable statute of limitations with respect thereto).

4.34 Any claim for breach of any representation or warranty by Seller or Bailey shall be the exclusive remedy of Buyer for such claim.

5. Representations and Warranties of Buyer

Buyer represents and warrants to Seller as follows:

5.1 **Organization.** Buyer is a corporation duly formed and validly existing under the laws of Washington, and has full corporate power and authority and the legal right to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto, and to consummate the transactions contemplated hereby and thereby.

5.2 **Authority.** The execution and delivery of this Agreement (and all other agreements and instruments contemplated hereunder) by Buyer, the performance by Buyer of its obligations hereunder and thereunder, and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all necessary action by the Board of Directors of Buyer, and no other act or proceeding on the part of Buyer or its shareholders is necessary to approve the execution and delivery of this Agreement and such other agreements and instruments, the performance by Buyer of its obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby. The signatory officers of Buyer have the power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto, to consummate the transactions hereby and thereby contemplated and to take all other actions required to be taken by Buyer pursuant to the provisions hereof and thereof. Buyer has reserved sufficient shares of its common stock for exercise of all options granted to Seller and Bailey pursuant to this Agreement and related agreements executed in connection herewith.

5.3 **Execution and Binding Effect.** This Agreement has been duly and validly executed and delivered by Buyer and constitutes, and the other agreements and instruments to be executed and delivered by Buyer pursuant hereto, upon their execution and delivery by Buyer, will constitute (assuming, in each case, the due and valid authorization, execution and delivery thereof by Seller), legal, valid and binding agreements of Buyer, enforceable against Buyer in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, or other laws affecting the enforcement of creditors' rights generally or provisions limiting competition, and by equitable principles.

5.4 Consent and Approvals. There is no requirement applicable to Buyer to make any filing, declaration or registration with, or to obtain any permit, authorization, consent or approval of, any Governmental Entity as a condition to the lawful consummation by Buyer of the transactions contemplated by this Agreement and the other agreements and instruments to be executed and delivered by Buyer pursuant hereto, except for filings (a) which are referred to in the Seller Disclosure Schedule or (b) the failure of making which would not have a Material Adverse Effect on the transactions contemplated hereby.

5.5 No Violation. Neither the execution, delivery and performance of this Agreement and of all the other agreements and instruments to be executed and delivered pursuant hereto, nor the consummation of the transactions contemplated hereby or thereby, will, with or without the passage of time or the delivery of notice or both, (a) conflict with, violate or result in any breach of the terms, conditions or provisions of the Articles of Incorporation or Bylaws of Buyer, (b) conflict with or result in a violation or breach of, or constitute a default or require consent of any Person (or give rise to any right of termination, cancellation or acceleration) under, any of the terms, conditions or provisions of any notice, bond, mortgage, indenture, license, franchise, permit, agreement, lease or other instrument or obligation to which Buyer is a party or by which Buyer or any of its properties or assets may be bound, or (c) violate any statute, ordinance or law or any rule, regulation, order, writ, injunction or decree of any Governmental Entity applicable to Buyer or by which any of its properties or assets may be bound.

5.6 The representations and warranties of Buyer under this Section 5 and under this Agreement shall survive for a period of two (2) years from the Closing Date.

5.7 Any claim for breach of any representation or warranty by Buyer shall be the exclusive remedy of Seller and Bailey for such claim.

6. Covenants

6.1 Access to Information.

(a) Prior and subsequent to the Closing, Seller will permit Buyer to make a full and complete investigation of the Purchased Assets and to receive from Seller all information of Seller relating to the Purchased Assets or reasonably related to Seller's conduct of the Business. Without limiting this right, Seller will give to Buyer and its accountants, legal counsel, and other representatives full access, during normal business hours, at a mutually agreeable location arranged in advance, to all of the books, records, files, documents, properties, and contracts of Seller relating to the Purchased Assets or reasonably related to Seller's conduct of the Business and allow Buyer and any such representatives to make copies thereof, all of which shall be made available in an organized fashion and so as to facilitate an orderly review. This Section 6.1 shall not affect or be deemed to modify any representation or warranty contained herein or the conditions to the obligations of the parties to consummate the transactions contemplated by this Agreement. Seller shall maintain and make available the

information and records specified in this Section 6.1(a) in the ordinary course of Seller's business and document retention policies, as if the transactions contemplated by this Agreement had not occurred.

(b) At all times following the Closing, each party shall provide the other party (at such other party's expense) with such reasonable assistance, including the provision of available relevant records or other information and reasonable access to and cooperation of any employees, as may be reasonably requested by either of them in connection with the preparation of any financial statement or tax return, any audit or examination by any taxing authority, or any judicial or administrative proceeding relating to liability for Taxes.

6.2 Third Party Consents. Seller and Buyer shall use commercially reasonable efforts to obtain, within the applicable time periods required, all Required Consents, waivers, permits, consents and approvals and to effect all registrations, filings and notices with or to third parties or Governmental Entities which are necessary to consummate the transactions contemplated by this Agreement so as to preserve all rights of, and benefits to, the Buyer in the Purchased Assets.

6.3 Certain Notifications. At all times prior to the Closing, Seller and Buyer shall promptly notify the other party in writing of the occurrence of any event which will result, or has a reasonable prospect of resulting, in the failure to satisfy any of the conditions specified in Section 8 or Section 9 of this Agreement.

6.4 Best Efforts. The Seller shall use its best efforts (i) to cause to be fulfilled and satisfied all of the conditions to the Closing set forth in Section 8 below, (ii) to cause to be performed all of the matters required of it at the Closing and (iii) to cause the Contracts to be assigned to Buyer.

6.5 Seller's Conduct of the Business Prior to Closing. During the period from the date of this Agreement to the Closing Date, Seller will conduct the Business in its ordinary and usual course, consistent with past practice, and will use all reasonable efforts to preserve intact all rights, privileges, franchises and other authority of the Business, to retain the employees, and to maintain favorable relationships with licensors, licensees, suppliers, contractors, distributors, customers, and others having relationships with the Business. Seller shall promptly notify Buyer of any event or occurrence or emergency not in the ordinary course of business, and any material event involving the Business or the Purchased Assets. Without limiting the generality of the foregoing, and except as approved in writing by Buyer in advance, prior to the Closing, Seller:

(a) will not create, incur or assume (i) any borrowings under capital leases, or (ii) any obligation which would in any material way affect the Business, the Purchased Assets or Buyer's ability to conduct the Business in substantially the same manner and condition as conducted by Seller on the date of this Agreement;

(b) will not change in any manner the compensation of, or agree to provide additional benefits to, or enter into any employment agreement with, any employee, provided that the foregoing shall not limit or affect the ability of Seller or Bailey to withdraw, in whatever manner they determine any cash balances or other proceeds in excess of the cash balance reflected in Section 2.1 (o) from Seller prior to Closing;

(c) will maintain insurance coverage in amounts adequate to cover the reasonably anticipated risks of the business conducted with the Purchased Assets;

(d) will not acquire or agree to acquire by merging or consolidating with, or by purchasing any assets or equity securities of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof, or otherwise acquire or agree to acquire any assets which are material, individually or in the aggregate, to the Business.

(e) will not sell, dispose of or encumber any of the Purchased Assets or license any Purchased Assets to any Person except in the normal course of business consistent with past practice;

(f) will not engage in any special promotion which promotes the sale of Inventory with highly discounted terms;

(g) will not enter into any agreements or commitments relating to the Business, except on commercially reasonable terms in the ordinary course of business of the Business;

(h) will comply in all material respects with all laws and regulations applicable to the Business;

(i) will not enter into any agreement with any third party for the distribution of any of the Purchased Assets;

(j) will use reasonable efforts to assist Buyer in employing after the Closing Date those employees to whom offers of employment are made by Buyer, and will not (and will cause its Affiliates not to) solicit such employees to remain in the employ of Seller or any of its Affiliates after the Closing Date;

(k) will not change or announce any change to the products or services sold by the Business except with Buyer's written consent or at Buyer's request;

(l) will not expand the use of the Purchased Assets within the organization of Seller;

(m) will not violate, amend or otherwise change in any way the terms of any of the Contracts;

(n) will not commence a lawsuit related to or involving the Purchased Assets other than (a) for the routine collection of bills; (b) for injunctive relief on the grounds that Seller has suffered immediate and irreparable harm not compensable in money damages, provided that Seller has obtained the prior written consent of Buyer, such consent not to be unreasonably withheld; or (c) for a breach of this Agreement;

(p) will not assign, sell or otherwise convey to any third party, without obtaining Buyer's prior written consent, any of its accounts receivable prior to the Closing Date.

6.6 No Other Bids. Until the earlier to occur of (a) the Closing or (b) the termination of this Agreement pursuant to its terms, Seller shall not, and Seller shall not authorize any of its officers, directors, employees or other representatives to, directly or indirectly, (i) initiate, solicit or encourage (including by way of furnishing information regarding the Business or the Purchased Assets) any inquiries, or make any statements to third parties which may reasonably be expected to lead to any proposal concerning the sale of Seller, the Business or the Purchased Assets (whether by way of merger, purchase of capital shares, purchase of assets or otherwise), or (ii) negotiate, engage in any substantive discussions, or enter into any agreement, with any Person concerning the sale of Seller, the Business or the Purchased Assets (whether by way of merger, purchase of capital shares, purchase of assets or otherwise).

6.7 Tax Returns. Seller shall, to the extent that failure to do so could adversely affect the Business or the Purchased Assets following Closing, (a) continue to file in a timely manner all returns and reports relating to Taxes, and such returns and reports shall be true, correct and complete and shall be subject to the review and consent of Buyer which consent shall not be unreasonably withheld, and (b) be responsible for and pay when due any and all Taxes.

6.8 Post-Closing Access to Information. If, after the Closing Date, in order properly to operate the Business or prepare documents or reports required to be filed with governmental authorities or Buyer's financial statements, it is necessary that Buyer obtain additional information within Seller's possession relating to the Purchased Assets or the Business, Seller will furnish or cause its representatives to furnish such information to Buyer. Such information shall include, without limitation, all agreements between Seller and any Person relating to the Business. Seller shall maintain and make available the information and records specified in this Section 6.8 for a period of ten (10) years after the Closing Date.

6.9 Post-Closing Cooperation. Seller agrees that, if reasonably requested by Buyer, it will cooperate with Buyer, at Buyer's expense, in enforcing the terms of any agreements between Seller and any third party involving the Business, including without limitation terms relating to confidentiality and the protection of intellectual property rights. In the event that Buyer is unable to enforce its intellectual property rights against a third party as a result of a rule or law barring enforcement of such rights by a transferee of such rights, Seller agrees to reasonably cooperate with Buyer by assigning to Buyer such rights as may be required by Buyer to enforce its intellectual property rights in its own name. If such assignment still does

not permit Buyer to enforce its intellectual property rights against the third party, Seller agrees to initiate proceedings against such third party in Seller's name, provided that Buyer shall be entitled to participate in such proceedings and provided further that Buyer shall be responsible for the expenses of such proceedings.

6.10 No Post-Closing Retention of Copies. Immediately after the Closing, Seller shall deliver to Buyer or destroy copies of Purchased Assets in Seller's possession that are in addition to copies delivered to Buyer as part of the Closing, whether such copies are in paper form, on computer media or stored in another form; provided, however, that Seller may retain and use copies of financial books and records relating to the Business and one (1) copy of other documents for archival purposes as well as copies of any other documents required by law to be kept by Seller for the sole purpose of preparing its statutory accounts. The Seller shall not be permitted to use the financial books and records of the Business for any other reason.

6.11 Public Announcements. On and prior to the Closing Date, Buyer and Seller shall advise and confer with each other prior to the issuance of any reports, statements or releases concerning this Agreement (including the exhibits and schedules hereto) and the transactions contemplated herein. Neither Buyer nor Seller will make any public disclosure prior to the Closing or with respect to the Closing unless both parties agree on the text and timing of such public disclosure; provided, however, that nothing contained herein shall prevent either party at any time from furnishing any information to any Governmental Entity. Immediately after this Agreement is signed, both parties will make public announcements to their respective share exchanges; the text of such public announcements will be reviewed by the parties prior to release.

6.12 Post-Closing Actions. Subsequent to the Closing Date, Seller shall, from time to time, execute and deliver, upon the request of Buyer, all such other and further materials and documents and instruments of conveyance, transfer or assignment as may reasonably be requested by Buyer to effect, record or verify the transfer to, and vesting in Buyer, of Seller's right, title and interest in and to the Purchased Assets, free and clear of all Liens, in accordance with the terms of this Agreement.

6.13 Future Agreements. In the event Seller enters into any material agreement between the date of this Agreement and the Closing that relates primarily to the Business, at the request of Buyer, Seller agrees to include any such agreement within the Contracts.

6.14 Permits. Seller will assist Buyer in obtaining any licenses, permits or authorizations required for carrying on the Business but which are not transferable.

6.15 Taxes. Seller shall be responsible for paying, shall promptly discharge when due, and shall reimburse, indemnify and hold harmless Buyer from, any sales or use, transfer, real property gains, excise, stamp, or other similar Taxes arising from, imposed on or attributable to the transactions contemplated by this Agreement.

7. Employee Matters

7.1 Transferred Employees.

(a) Buyer agrees to hire the current employee of Seller (the "Transferred Employee") at her current salary and provide current or comparable level of health insurance and any other benefits of similarly situated employees of Buyer. Such employee will be an "at will" employee but Buyer agrees that it will not terminate her employment within the first four (4) months after Closing except for good cause.

(b) Seller will be fully responsible for all amounts payable to any other employee, including (without limitation) all termination payments, redundancy compensation, severance pay, accrued vacation pay and other amounts payable in respect of the termination of employment of any such employee in connection with the sale of the Purchased Assets to the Buyer. In addition, Seller will be fully responsible for all amounts owing to the Transferred Employees prior to Closing.

7.2 Compensation and Benefits of Transferred Employees. Coverage for the Transferred Employee under Buyer's compensation and benefit plans and other programs shall commence as of 12:01 a.m. on the day after the Closing Date. Subject to Section 7.1, Buyer shall be free to establish its own employee benefit plans; Buyer shall have no obligation to offer benefit plans of the same type or with terms similar to or better than the terms of Seller's current employee benefit plans. Buyer may, at its option, give the Transferred Employee credit for the Transferred Employee's years of most recent continuous service with Seller for purposes of determining participation and benefit levels under all of Buyer's vacation policies and benefit plans and programs.

7.3 Intentionally Omitted.

7.4 No Right to Continued Employment or Benefits. Subject to Section 7.1, no provision in this Agreement shall create any third party beneficiary or other right in any Person (including any beneficiary or dependent thereof) for any reason, including, without limitation, in respect of continued, resumed or new employment with Seller or Buyer (or any Affiliate of Seller or Buyer) or in respect of any benefits that may be provided, directly or indirectly, under any plan or arrangement maintained by Seller, Buyer or any Affiliate of Seller or Buyer. Except as otherwise expressly provided in this Agreement, Buyer is under no obligation to hire any employee of Seller, provide any employee with any particular benefits, or make any payments or provide any benefits to those employees of Seller whom Buyer chooses not to employ.

7.5 No Solicitation or Hire by Seller. For a period of one year after the Closing, Seller will not solicit any Transferred Employee for employment. For purposes of this Section 7.5, the term "solicit" shall not include the following activities by Seller: (i) advertising for employment in any bulletin board (including electronic bulletin boards), newspaper, trade journal or other publication available for general distribution to the public without specific

reference to any particular employees; (ii) participation in any hiring fair or similar event open to the public not targeted at Buyer's employees; and (iii) use of recruiting or employee search firms that have been instructed by Seller not to target any Transferred Employee.

8. Conditions to Buyer's Obligations

The obligations of Buyer under this Agreement are subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions, all or any of which may be waived by Buyer in writing, except as otherwise provided by law:

8.1 Representations and Warranties True; Performance; Certificate.

(a) The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same effect as though such representations and warranties had been made or given again at and as of the Closing Date;

(b) Seller shall have performed and complied with all of its agreements, covenants and conditions required by this Agreement to be performed or complied with by them prior to or on the Closing Date;

(c) The conditions set forth in this Section 8 have been fulfilled or satisfied, unless otherwise waived in writing by Buyer; and

(d) Buyer shall have received a certificate, dated as of the Closing Date, signed and verified by an officer of Seller on behalf of Seller certifying to the matters set forth in Sections 8.1(a) and 8.1(b) above.

8.2 Consents. All Governmental Authorizations, Required Consents and consents required to transfer the Contracts to Buyer on the terms and conditions provided to Seller, without change as a result of the transfer to Buyer, shall have been obtained.

8.3 No Proceedings or Litigation.

(a) No preliminary or permanent injunction or other order shall have been issued by any Governmental Entity, nor shall any statute, rule, regulation or executive order be promulgated or enacted by any Governmental Entity which prevents the consummation of the transactions contemplated by this Agreement.

(b) No suit, action, claim, proceeding or investigation before any Governmental Entity shall have been commenced and be pending against any of the parties, or any of their respective Affiliates, associates, officers or directors, seeking to prevent transactions contemplated by this Agreement, including, without limitation, the sale of the Purchased Assets or asserting that the sale of the Purchased Assets would be illegal or create liability for damages or which may have a Material Adverse Effect on the Business or the Purchased Assets.

8.4 Documents. This Agreement, the exhibits and schedules attached hereto, and any other instruments of conveyance and transfer and all other documents to be delivered by Seller at the Closing and all actions of Seller required by this Agreement and the exhibit agreements, or incidental thereto, and all related matters, shall be in form and substance reasonably satisfactory to Buyer and Buyer's counsel and shall be in full force and effect.

8.5 Governmental Filings. The parties shall have made any required filing with Governmental Entities in connection with this Agreement and the exhibit agreements, and any approvals related thereto shall have been obtained or any applicable waiting periods shall have expired. If a proceeding or review process by a Governmental Entity is pending in which a decision is expected, Buyer shall not be required to consummate the transactions contemplated by this Agreement until such decision is reached or rendered, notwithstanding Buyer's legal ability to consummate the transactions contemplated by this Agreement prior to such decision being reached or rendered.

8.6 No Material Adverse Change. There shall have been no material adverse change in the financial condition or results of operations of the Business on the Closing Date as compared with the date of this Agreement.

8.7 Termination of Benefit Plans. Seller shall have provided Buyer with evidence, reasonably satisfactory to Buyer as to the termination of all benefit plans and payments owing by Seller relating to all Employees and the termination of all Non-Transferred Employees' benefit plans.

8.8 Intentionally Omitted.

8.9 Employment Agreement. John Bailey shall have entered into an Employment Agreement with Buyer in substantially the form attached hereto as Exhibit B.

8.10 Non-Competition Agreement. In consideration of the Buyer entering into this Agreement, WMAN and Bailey shall have entered into the Non-Competition Agreements in substantially the forms attached hereto as Exhibits C-1 and C-2, and such agreements shall remain in full force and effect.

8.11 License Agreement. In consideration of the Buyer entering into this Agreement, WMAN and Buyer shall have entered into an exclusive license agreement in substantially the form attached hereto as Exhibit D, and such agreement shall remain in full force and effect.

9. Conditions to Seller's Obligations

The obligations of Seller under this Agreement are subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions, all or any of which may be waived in writing by Seller, except as otherwise provided by law:

9.1 Representations and Warranties True; Performance.

(a) The representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same effect as though such representations and warranties had been made or given again at and as of the Closing Date;

(b) Buyer shall have performed and complied with all of its agreements, covenants and conditions required by this Agreement to be performed or complied with by them prior to or on the Closing Date;

(c) Seller shall have received a certificate, dated as of the Closing Date, signed and verified by an officer of Buyer on behalf of Buyer certifying to the matters set forth in Sections 9.1(a) and 9.1(b) above.

9.2 No Proceeding or Litigation.

(a) No preliminary or permanent injunction or other order shall have been issued by any Governmental Entity, nor shall any statute, rule, regulation or executive order be promulgated or enacted by any Governmental Entity which prevents the consummation of the transactions contemplated by this Agreement.

(b) No suit, action, claim, proceeding or investigation before any Governmental Entity shall have been commenced and be pending against any of the parties, or any of their respective Affiliates, associates, officers or directors, seeking to prevent the sale of the Purchased Assets or asserting that the sale of the Assets would be illegal or create liability for damages.

9.3 Documents. This Agreement, any other instruments of conveyance and transfer and all other documents to be delivered by Buyer to Seller at the Closing and all actions of Buyer required by this Agreement or incidental thereto, and all related matters, shall be in form and substance reasonably satisfactory to Seller and Seller's counsel.

9.4 Governmental Filings. The parties shall have made any filing required with Governmental Entities, and any approvals shall have been obtained or any applicable waiting periods shall have expired. If a proceeding or review process by a Governmental Entity is pending in which a decision is expected, Seller shall not be required to consummate the transactions contemplated by this Agreement until such decision is reached or rendered, notwithstanding Seller's legal ability to consummate the transactions contemplated by this Agreement prior to such decision being reached or rendered.

10. Termination.

10.1 Termination of Agreement. This Agreement may be terminated at any time prior to the Closing:

(a) By mutual written consent of Buyer and Seller;

(b) By either party, if the other party goes into liquidation, has an application or order made for its winding up or dissolution, has a resolution passed or steps taken to pass a resolution for its winding up or dissolution, becomes unable to pay its debts as and when they fall due, or has a receiver, receiver and manager, administrator, liquidator, provisional liquidator, official manager or administrator appointed to it or any of its assets; or

(c) By Buyer or Seller if any Governmental Entity shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement; or

(d) By either party if the Closing does not occur by the outside date set forth in Section 3.1.

10.2 Procedure and Effect of Termination. In the event of termination of this Agreement by any or all of the parties pursuant to Section 10.1, written notice shall be given to each other party specifying the provision of Section 10.1, pursuant to which such termination is made and shall become void and there shall be no liability on the part of Buyer or Seller (or their respective officers, directors, partners or Affiliates), except as a result of any breach of this Agreement by such party or to the extent such a party is entitled to indemnification under Section 9 of this Agreement.

11. Miscellaneous.

11.1 Amendments and Waivers. Any term of this Agreement may be amended or waived with the written consent of the parties or their respective successors and assigns. Any amendment or waiver effected in accordance with this Section 11 shall be binding upon the parties and their respective successors and assigns.

11.2 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

11.3 Governing Law; Jurisdiction. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Washington, without giving effect to principles of conflicts of law. Each of the parties to this Agreement consents to the exclusive jurisdiction and venue of the courts of the state and federal courts of King County, Washington.

11.4 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

11.5 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

11.6 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon receipt, when delivered personally or by courier, overnight delivery service, or forty-eight (48) hours after being deposited in the regular mail as certified or registered mail (airmail if sent internationally) with postage prepaid, if such notice is addressed to the party to be notified at such party's address as set forth below or on Exhibit A hereto, or as subsequently modified by written notice.

11.7 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith, in order to maintain the economic position enjoyed by each party as close as possible to that under the provision rendered unenforceable. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

11.8 Entire Agreement. This Agreement and the documents referred to herein are the product of both of the parties hereto, and constitute the entire agreement between such parties pertaining to the subject matter hereof and thereof, and merge all prior negotiations and drafts of the parties with regard to the transactions contemplated herein and therein. Any and all other written or oral agreements existing between the parties hereto regarding such transactions are expressly canceled.

11.9 Advice of Legal Counsel. Each party acknowledges and represents that, in executing this Agreement, it has had the opportunity to seek advice as to its legal rights from legal counsel and that the person signing on its behalf has read and understood all of the terms and provisions of this Agreement. This Agreement shall not be construed against any party by reason of the drafting or preparation thereof.

[Signature pages follow]

This Agreement has been duly executed and delivered by the duly authorized officers of Seller and Buyer as of the date first above written.

NVST.COM, INC.

By: *Lori King*
Name: *LORI KING*
Title: *CEO*

WORLD M & A NETWORK, LLC

By: *John W. Bailey*
Name: *John W. Bailey*
Title: *President*

JOHN BAILEY

DISCLOSURE SCHEDULE

Schedule 2.1(a) - Real Property Assets

Lease: World M&A Network (lessee) sublets the existing office space from Middle East Executive Reports, Inc. (lessor) at 717 D Street NW, Suite 300, Washington, D.C. through December 31, 1999 at the current rent of \$936 per month; thereafter any continued occupancy is on a month to month basis. Lessee has the absolute right and option to terminate the sublet and vacate the space during such period upon not less than 90 days prior written notice to the lessor.

Schedule 2.1(b) - Personal Property Assets

1. Gateway PC (P5-166)
2. Gateway Laptop (Solo5100)
3. HP Laserjet (6P XI)
4. Ascom Hasler System (220 Plus) mailing machine (40% interest)
5. Canon (PC 745) copier (50% interest)
6. Desk with three half wall partitions, three drawers plus shelf

Schedule 2.1(d) - Contracts

1. License Agreement
World M&A Network (licensor)
Practitioners Publishing Company (licensee)
Term: 1/1/99 - 12/31/01
Non-exclusive right to use Done Deals data in licensee's software
Royalty: 60%
2. License Agreement
World M&A Network (licensor)
MoneySoft, Inc. (Licensee)
Term: 10/8/98 - 10/7/03
Non-exclusive right to use Done Deals data in licensee's software
Royalty: \$100 per unit (retail) and \$50 per unit (wholesale)
3. License Agreement
World M&A Network (licensor)

John Wiley & Sons Inc. ValuSource Division (licensee)
Term: 9/17/96 - 9/16/01
Non-exclusive right to use Done Deals data in licensee's software
Royalty: 10% of sales of Mid-Market Comps software

Schedule 2.1(h) - Intellectual Property

1. Done Deals
Trademark No. 2185615
Date of Issue 9/1/98
2. Done Deals Data
Trademark No. 2187422
Date of Issue 9/8/98

Schedule 2.1(k) - Permits

None

Schedule 4.6 - Required Consents

1. Lease referenced in Schedule 2.1(a) above;
2. License Agreements referenced in Schedule 2.1(d)

Schedule 4.12 - Warranties

Each License Agreements referenced in Schedule 2.1(d) has warranties regarding ownership of licensed software, absence of infringement and other matters expressed therein

Schedule 4.17 - Employee

Valerie Woods Akers
8463 Greenbelt Road, #201
Greenbelt, MD 20770

Administrative Assistant
Compensation @ \$15.70/hr. x 42.5 hrs./week since 8/28/98
Health Insurance - NYL Care Health Plans @ \$384.11/mo.

Schedule 4.22 - Material Contracts

1. World Web Ltd. (Internet Service Provider)
906 King Street
Alexandria, VA 22314
@ \$350/mo. to hosting and e-mail services
2. License Agreements listed on Schedule 2.1(d)