FORM PTO-1594 (Modified)
(Rev. 6-93)
OMB No. 0651-0011 (exp.4/94)
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TM05/REV03

RECORDATION FORM COVER SHEET

01-04-2002

101934295

Docket No.:
14663/1 (FAS-605)

Tab settings

To the Honorable Commissioner of Pate ...attached original documents or copy thereof.

1. Name of conveying party(ies):

FASTech ACQUISITION CORPORATION and
FASTech INTEGRATION, INC.

12/31/01

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

Additional names(s) of conveying party(ies) ☐ Yes ☒ No

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

Name: **Brooks Automation, Inc.**

Internal Address:

Street Address: **15 Elizabeth Drive**

City: **Chelmsford** State: **MA** ZIP: **01824**

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

If assignee is not domiciled in the United States, a domestic designation is ☐ Yes ☐ N
(Designations must be a separate document from
Additional name(s) & address(es) ☐ Yes ☒ N

3. Nature of conveyance:

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

Execution Date: **September 21, 1998**

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,935,764

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DEC 31 2001

Additional numbers ☐ Yes ☒ No

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

Name: **Mark S. Leonardo, Esq.**

Internal Address: **Brown Rudnick Freed & Gesmer**

Box IP, 18th Floor

Street Address: **One Financial Center**

City: **Boston** State: **MA** ZIP: **02111**

6. Total number of applications and registrations involved:..... 1

7. Total fee (37 CFR 3.41):.....$ **$40.00**

☒ Enclosed

☐ Authorized to be charged to deposit account

8. Deposit account number:

50-0369

01/03/2002 TDIAZ1 00000030 1935764
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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.

Mark S. Leonardo (Reg. No. 41,433) — Name of Person Signing

Signature

November 14, 2001 — Date

Total number of pages including cover sheet, attachments, and 61

TRADEMARK

AGREEMENT AND PLAN OF MERGER

AGREEMENT entered into as of the 21st day of September, 1998, by and among BROOKS AUTOMATION, INC., a Delaware corporation (the "Parent"), FASTech ACQUISITION CORPORATION, a Delaware corporation and wholly owned subsidiary of the Parent (the "Acquisition Subsidiary"), and FASTech INTEGRATION, INC., a Delaware corporation (the "Company"). The Parent, the Acquisition Subsidiary and the Company are referred to collectively herein as the "Parties."

WHEREAS, the Boards of Directors of each of the Parties have agreed that it is in their best interests for the Acquisition Subsidiary to merge with and into the Company upon the terms and conditions set forth herein;

WHEREAS, this Agreement contemplates a merger of the Acquisition Subsidiary with and into the Company and in such merger, the stockholders of the Company will receive common stock of the Parent in exchange for their capital stock of the Company;

WHEREAS, for federal income tax purposes, the Parties intend that such merger qualify as a reorganization under the provisions of Section 368(a) of the United States Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the parties intend that such merger be treated as a "pooling of interests" transaction for accounting purposes under generally accepted accounting principles ("GAAP").

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the Parties hereto agree as follows:

ARTICLE I

THE MERGER

1.1 The Merger. Upon and subject to the terms and conditions of this Agreement and in accordance with the Delaware General Corporation Law ("DGCL"), the Acquisition Subsidiary shall be merged with and into the Company (the "Merger") at the Effective Time (as defined below). From and after the Effective Time, the separate corporate existence of the Acquisition Subsidiary shall cease and the Company shall continue as the surviving corporation in the Merger (the "Surviving Corporation"). The "Effective Time" shall be the time at which the Company and the Acquisition Subsidiary file a certificate of merger in substantially the form attached hereto as Exhibit 1.1 (the "Certificate of Merger") in accordance with the relevant provisions of the DGCL, with the Secretary of State of the State of Delaware. The Merger shall have the effects set forth in Sections 251 and 259 of the DGCL.

1.2 The Closing. The closing of the Merger (the "Closing") shall take place at the offices of Brown, Rudnick, Freed & Gesmer, commencing at 9:00 a.m. local time on the day of the receipt of Requisite Stockholder Approval (as defined in Section 2.4), provided that on or prior thereto, all the conditions to the obligations of the Parties to consummate the transactions

contemplated hereby as set forth in Article V have been satisfied or waived, or on such other mutually agreeable later date as soon as practicable after the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the transactions contemplated hereby (the "Closing Date"); provided, however, that the Closing Date shall be no later than November 30, 1998.

1.3 Actions at the Closing. At the Closing, subject to the satisfaction or waiver of all of the conditions set forth in Article V not theretofore satisfied or waived, (a) the Company and the Acquisition Subsidiary shall file with the Secretary of State of the State of Delaware the Certificate of Merger and (b) the Acquisition Subsidiary shall deliver the Merger Consideration (as defined in Section 1.5(d) below) to Boston Equiserve or such other entity reasonably satisfactory to the Company and the Parent to act as the exchange agent (the "Exchange Agent") in accordance with Section 1.6.

1.4 Additional Actions. The Surviving Corporation may, at any time after the Effective Time, take any action, including executing and delivering any document, in the name and on behalf of either the Company or the Acquisition Subsidiary, in order to consummate the transactions contemplated by this Agreement.

1.5 Conversion of Shares.

(a) At the Effective Time, by virtue of the Merger and without any action on the part of any Party or the holder of any of the following securities, each share of common stock, $.000002 par value per share, of the Company ("Company Common Stock") issued and outstanding immediately prior to the Effective Time (other than (i) shares of the Company's Common Stock which are Dissenting Shares (as hereafter defined), (ii) shares of the Company's Common Stock which are owned by the Parent or the Acquisition Subsidiary and (iii) shares of the Company's Common Stock which are held in the Company's treasury), shall be converted into and represent the right to receive, before reduction on a pro rata basis with all the Company capital stock for the Escrow Shares (as defined in Section 1.10 hereof), such number of shares of common stock, $.01 par value per share, of the Parent ("Parent Common Stock") as is equal to 0.127469 (the "Common Stock Conversion Ratio") provided that the total number of shares of Parent Common Stock issuable pursuant to this Section 1.5(a) shall not exceed 175,000 shares, subject to upward adjustment for shares of Company Common Stock issued upon exercise of Options (as defined in Section 1.8 below) outstanding on August 17, 1998 or conversion of Company Preferred Stock (as defined below).

(b) At the Effective Time, by virtue of the Merger and without any action on the part of any Party or the holder of any of the following securities, each share of preferred stock, $.01 par value per share, of the Company ("Company Preferred Stock") issued and outstanding immediately prior to the Effective Time (other than shares of Company Preferred Stock which are Dissenting Shares, (ii) shares of Company Preferred Stock owned by the Parent or the Acquisition Subsidiary and (iii) shares of Company Preferred Stock held in the Company's Treasury) shall be converted into and represent the right to receive, before reduction on a pro rata

basis with all the Company capital stock for the Escrow Shares, the number of shares of Parent Common Stock, set forth below:

(A) Each share of Series A Company Preferred Stock shall be converted into and represent the right to receive the number of shares of Parent Common Stock as is equal to 0.147209;

(B) Each share of Series B Company Preferred Stock shall be converted into and represent the right to receive the number of shares of Parent Common Stock as is equal to 0.167118;

(C) Each share of Series C Company Preferred Stock shall be converted into and represent the right to receive the number of shares of Parent Common Stock as is equal to 0.197585;

(D) Each share of Series D Company Preferred Stock shall be converted into and represent the right to receive the number of shares of Parent Common Stock as is equal to 0.372104;

(E) Each share of Series E Company Preferred Stock shall be converted into and represent the right to receive the number of shares of Parent Common Stock as is equal to 0.252057.

Notwithstanding the foregoing, in no event shall the total number of shares of Parent Common Stock issuable pursuant to this Section 1.5(b) exceed 675,000 shares, subject to downward adjustment for conversion of Company Preferred Stock. Company Common Stock and Company Preferred Stock are collectively referred to herein as the "Company Shares."

(c) The number of shares of Parent Common Stock issuable pursuant to this Section 1.5 and other numbers and amounts set forth herein shall be subject to equitable adjustment in the event that the Parent changes the number of shares of Parent Common Stock issued and outstanding prior to the Effective Time as a result of a stock split, stock dividend or similar recapitalization with respect to the Parent Common Stock. Stockholders of record of the Company, including holders of Company Common Stock and Company Preferred Stock, in each case as of the Effective Time ("Company Stockholders") shall be entitled to receive all of the Parent Common Stock into which their Company Shares were converted pursuant to this Section 1.5 upon tender of their Company Shares as set forth in Section 1.6 below ("Merger Shares").

(d) No certificates or scrip representing less than one Merger Share shall be issued upon the surrender for exchange of a certificate or certificates which immediately prior to the Effective Time represented outstanding Company Shares (the "Certificates"). In lieu of any such fractional share, each holder of Company Shares who would otherwise have been entitled to a fraction of a Merger Share upon surrender of Certificates for exchange shall be paid upon such surrender cash equal to the product of (i) such fraction, multiplied by (ii) the average closing price per share of Parent Common Stock as reported on the Nasdaq National Market for the ten trading days on the Nasdaq National Market ending on the day prior to the date on which the

Effective Time occurs. The Merger Shares and the cash to be received in lieu of fractional Merger Shares are collectively referred to herein as the "Merger Consideration."

(e) Each Company Share held in the Company's treasury immediately prior to the Effective Time and each Company Share owned by the Parent or the Acquisition Subsidiary shall, by virtue of the Merger and without any further action, be canceled and retired without payment of any consideration therefor.

(f) The common stock, $.01 par value per share, of the Acquisition Subsidiary ("Acquisition Subsidiary Common Stock") issued and outstanding immediately prior to the Effective Time shall be converted into and thereafter evidence 100 shares of common stock, $.01 par value per share, of the Surviving Corporation.

(g) Holders of Company Shares shall also receive together with each share of Parent Common Stock issued in the Merger pursuant to this Section 1.5, an associated preferred stock purchase right ("Parent Purchase Right") pursuant to the Rights Agreement, as amended, between the Parent and the Rights Agent named therein. References herein to Parent Common Stock and to Merger Shares issuable in the Merger shall be deemed to include the associated Parent Purchase Rights.

1.6 Exchange of Shares.

(a) Prior to the Effective Time, the Parent and the Company shall mutually appoint the Exchange Agent (or such other Exchange Agent as the parties shall mutually agree) to effect the exchange for the Merger Consideration of Certificates. As soon as practicable after the Effective Time and no later than five (5) business days thereafter, the Parent shall cause the Exchange Agent to send a notice and a transmittal form to each holder of a Certificate advising such holder of the effectiveness of the Merger and the procedure for surrendering to the Exchange Agent such Certificate in exchange for the Merger Consideration. Each holder of a Certificate, upon proper surrender thereof to the Exchange Agent in accordance with the instructions in such notice, shall be entitled to receive in exchange therefor the Merger Consideration, without interest, determined pursuant to Section 1.5. Until properly surrendered, each such Certificate shall be deemed for all purposes to evidence only the right to receive the Merger Consideration determined pursuant to Section 1.5. Holders of Certificates shall not be entitled to receive certificates for the Merger Shares or cash payments to which they would otherwise be entitled until such Certificates are properly surrendered, or an affidavit is delivered pursuant to Section 1.6(c).

(b) If any Merger Consideration is to be issued or paid in the name of a person other than the person in whose name the Certificate surrendered in exchange therefor is registered, it shall be a condition to the issuance and payment of such Merger Consideration that (i) the Certificate so surrendered shall be transferable, and shall be properly assigned, endorsed or accompanied by appropriate stock powers, (ii) such transfer shall otherwise be proper and (iii) the person requesting such transfer shall pay to the Exchange Agent any transfer or other taxes payable by reason of the foregoing or establish to the satisfaction of the Exchange Agent that such taxes have been paid or are not required to be paid.

(c) In the event any Certificate has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen or destroyed, the Parent shall direct the Exchange Agent to issue in exchange for such Certificate the Merger Consideration issuable or payable in exchange therefor pursuant to Section 1.5. The Board of Directors of the Parent may, in its discretion and as a condition precedent to the issuance or payment thereof, require the owner of such Certificate to give the Parent a bond in such sum as it may reasonably direct as indemnity against any claim that may be made against the Parent with respect to the Certificate alleged to have been lost, stolen or destroyed.

(d) At any time following six months after the Effective Time, Parent shall be entitled to require the Exchange Agent to deliver to Parent any Merger Consideration which had been made available to the Exchange Agent by or on behalf of Parent and which has not been disbursed to holders of Certificates, and thereafter such holders shall be entitled to look to Parent with respect to the Merger Consideration payable upon due surrender of their Certificates. Notwithstanding the foregoing, neither Parent, Merger Sub nor the Company shall be liable to any holder of Company Shares for any Merger Consideration delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

(e) Parent or the Exchange Agent shall be entitled to deduct and withhold from the Merger Consideration otherwise payable pursuant to this Agreement to any holder of Company Shares such amounts as Parent or the Exchange Agent is required to deduct and withhold with respect to the making of such payment under the Code, or any provision of state, local or foreign tax law. To the extent that amounts are so withheld by Parent or the Exchange Agent, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the Shares in respect of which such deduction and withholding was made by Parent or the Exchange Agent.

1.7 Dividends. No dividends or other distributions that are payable to the holders of record of Parent Common Stock as of a date on or after the Effective Time shall be paid to former Company Stockholders entitled by reason of the Merger to receive Merger Shares until such holders surrender their Certificates in accordance with Section 1.6. Upon such surrender, the Parent shall pay or deliver to the persons in whose name the certificates representing such Merger Shares are issued any dividends or other distributions that are payable to the holders of record of Parent Common Stock as of a date on or after the Effective Time and which were paid or delivered between the Effective Time and the time of such surrender provided that no such person shall be entitled to receive any interest on such dividends or other distributions.

1.8 Options and Warrants.

(a) As of the Effective Time, all (i) options to purchase Company Common Stock granted by the Company pursuant to its stock option plans or otherwise ("Options") and (ii) warrants to purchase Company Common Stock ("Warrants"), whether vested or unvested, whether or not exercisable, shall be assumed by the Parent. Immediately after the Effective Time, each Option and Warrant outstanding immediately prior to the Effective Time shall be deemed to constitute an option or warrant to acquire, on the same terms and conditions as were

applicable under such Option or Warrant at the Effective Time (without giving effect to the Merger), such number of shares of Parent Common Stock equal to the number of shares of Company Common Stock subject to the unexercised portion of such Option or Warrant multiplied by a conversion ratio of 0.1275 (the "Conversion Ratio"), with any fraction resulting from such multiplication to be paid in cash upon the exercise of such Option or Warrant based upon the closing price of Parent Common Stock on the Nasdaq National Market on the date of exercise. The exercise price per share of each such assumed Option and Warrant shall be equal to the exercise price of such Option and Warrant immediately prior to the Effective Time, divided by the Conversion Ratio (rounded up to the nearest whole cent). The terms, exercisability, vesting schedule, status as an "incentive stock option" under Section 422 of the Code, if applicable, and all of the other terms of the Options and Warrants shall otherwise remain unchanged. Without limiting the foregoing, for purposes of determining vesting of the Options and otherwise, employees of the Company will be credited for their full term during which they were employed by the Company.

(b) As soon as practicable after the Effective Time, the Parent or the Surviving Corporation shall deliver to the holders of Options and Warrants appropriate notices setting forth such holders' rights pursuant to such Options and Warrants, as amended by this Section 1.8, and the agreements evidencing such Options and Warrants shall continue in effect on the same terms and conditions (subject to the amendments provided for in this Section 1.8).

(c) The Board of Directors of the Company (or if appropriate, a committee thereof) shall adopt such resolutions and take such actions as may be required to cause each Option outstanding at the Effective Time to be assumed by the Parent in accordance with Section 1.8(a).

(d) The Parent shall take all corporate action necessary to reserve for issuance a sufficient number of shares of Parent Common Stock for delivery upon exercise of the Options and Warrants assumed in accordance with this Section 1.8. As soon as practicable after the Effective Time, and in any event within thirty (30) days thereafter, the Parent shall file a Registration Statement on Form S-8 (or any successor form) under the Securities Act of 1933, as amended (the "Securities Act") with respect to all shares of Parent Common Stock subject to Options that may be registered on a Form S-8, and shall use commercially reasonable efforts to maintain the effectiveness of such Registration Statement for so long as such Options remain outstanding.

1.9 Dissenting Shares. Shares of Company Common Stock or Company Preferred Stock that have not been voted for adoption of this Agreement and with respect to which appraisal rights shall have been properly perfected in accordance with Section 262 of the DGCL (the "Dissenting Shares") shall not be converted into the right to receive Merger Consideration in accordance with this Agreement, at or after the Effective Time, unless and until the holder of such Dissenting Shares withdraws his demand for such appraisal in accordance with Section 262(k) of the DGCL or becomes ineligible for such appraisal. If a holder of Dissenting Shares shall withdraw in accordance with Section 262(k) of the DCGL his demand for such appraisal or shall become ineligible for such appraisal, then, as of the later of the Effective Time or the occurrence of such event, such holder's Dissenting Shares shall cease to be Dissenting Shares

and shall be converted into the right to receive Merger Consideration into which his Company Common Stock or Company Preferred Stock was converted as of the Effective Time pursuant to this Agreement. Any amounts to be paid to holders of Dissenting Shares with respect to such Dissenting Shares shall be paid by the Parent.

1.10 Escrow Shares. At the Effective Time, the Parent shall deliver to State Street Bank and Trust Company, or any successor escrow agent ("Escrow Agent") appointed pursuant to the escrow agreement (the "Escrow Agreement"), 85,000 shares of Parent Common Stock, such shares (the "Escrow Shares") to be held for a period of one (1) year from the Closing and applied in accordance with the terms of the Escrow Agreement substantially in the form attached hereto as Exhibit 1.10 with such modifications thereto as may be required by the Escrow Agent and agreed to by the parties hereto.

1.11 Stockholder Representatives.

(a) Each Company Stockholder will be deemed to have irrevocably constituted and appointed, effective as of the Effective Time, Andrew Marcuvitz (together with his permitted successors, the "Stockholder Representative"), as his true and lawful agent and attorney-in-fact to enter into any agreement in connection with the transactions contemplated by this Agreement and any transactions contemplated by the Escrow Agreement, to exercise all or any of the powers, authority and discretion conferred on him under any such agreement, to waive any terms and conditions of any such agreement (other than the Merger Consideration), to give and receive notices on his behalf and to be his exclusive representative with respect to any matter, suit, claim, action or proceeding arising with respect to any transaction contemplated by any such agreement, including, without limitation, the defense, settlement or compromise of any claim, action or proceeding for which Parent or the Company may be entitled to indemnification and the Stockholder Representatives agrees to act as, and to undertake the duties and responsibilities of, such agent and attorney-in-fact. This power of attorney is coupled with an interest and is irrevocable.

(b) The Stockholder Representative shall not be liable to anyone for any action taken or not taken by him in good faith or for any mistake of fact or law for anything that he may do or refrain from doing in connection with his obligations under this Agreement (i) with the consent of stockholders who, as of the date of this Agreement, owned a majority in number of the outstanding shares of Company Common Stock (treating the Company Preferred Stock on an as-converted basis) or (ii) in the absence of his own gross negligence or willful misconduct. Any action taken or not taken pursuant to the advice of counsel shall be conclusive evidence of such good faith. The Company Stockholders and Parent shall, jointly and severally, indemnify and hold the Stockholder Representative, and each successor thereof, harmless from any and all liability and expenses (including, without limitation, counsel fees) which may arise out of any action taken or omitted by him as Stockholder Representative in accordance with this Agreement, as the same may be amended, modified or supplemented, except such liability and expense as may result from the gross negligence or willful misconduct of the Stockholder Representative.

(c) The Stockholder Representative may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed to be genuine and to have been signed or presented by the proper party or parties. The Stockholder Representative shall not be liable for other parties' forgeries, fraud or false presentations.

(d) The Stockholder Representative shall have reasonable access to information about the Company and the reasonable assistance of the Company's officers and employees for purposes of performing his duties and exercising his rights hereunder, provided that the Stockholder Representative shall treat confidentially and not disclose any non-public information from or about the Company to anyone (except on a need to know basis to individuals who agree to treat such information confidentially).

(e) If the Stockholder Representative shall be unable or unwilling to serve in such capacity, his successor shall be named by those persons holding a majority of the shares of Company Common Stock outstanding (treating the Company Preferred Stock on an as-converted basis) at the Effective Time, and such successors shall serve and exercise the powers of the Stockholder Representative hereunder.

1.12 Certificate of Incorporation. The Certificate of Incorporation of the Surviving Corporation shall be the Certificate of Incorporation of the Company as amended and restated in the Certificate of Merger.

1.13 Bylaws. The Bylaws of the Surviving Corporation shall be the Bylaws of the Acquisition Subsidiary immediately prior to the Effective Time, except that the name of the corporation set forth therein shall be changed to the name of the Company.

1.14 Directors and Officers. The directors of the Acquisition Subsidiary immediately prior to the Effective Time shall become the directors of the Surviving Corporation as of the Effective Time. The officers of the Acquisition Subsidiary immediately prior to the Effective Time shall be the officers of the Surviving Corporation after the Effective Time, retaining their respective positions. The directors and officers of the Company shall cease to be directors and officers of the Surviving Corporation after the Effective Time.

1.15 No Further Rights. From and after the Effective Time, no Company Shares shall be deemed to be outstanding, and holders of Certificates shall cease to have any rights with respect thereto, other than the right to receive Merger Consideration or as otherwise provided herein or by law.

1.16 Closing of Transfer Books. At the Effective Time, the stock transfer books of the Company shall be closed and no transfer of Company Shares shall thereafter be made. If, after the Effective Time, Certificates are presented to the Surviving Corporation, the Parent or the Exchange Agent, they shall be canceled and exchanged for Merger Consideration in accordance with Section 1.5.

1.17 Tax and Accounting Consequences. It is intended by the Parties hereto that the Merger shall constitute (i) a reorganization of Acquisition Subsidiary and the Company within

the meaning of Section 368 of the Code and (ii) a "pooling of interest" transaction for accounting purposes under GAAP. The Parties hereby adopt this Agreement as a "plan of reorganization" of Acquisition Subsidiary and the Company within the meaning of Sections 1.368-2(g) and 1.368-3(a) of the United States Treasury Regulations.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Parent that the statements contained in this Article II are true and correct, except as set forth in the disclosure schedule attached hereto (the "Company Disclosure Schedule"). The Company Disclosure Schedule shall be initialed by the Parties and shall be arranged in paragraphs corresponding to the numbered and lettered paragraphs contained in this Article II.

2.1 Organization and Qualification of the Company. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, with full corporate power and authority to own, lease and operate its properties and to conduct its business in the manner and in the places where such properties are owned or leased or such business is conducted by it. The copies of the Company's Certificate of Incorporation as amended to date ("Charter"), certified by the Delaware Secretary of State, and of the Company's Bylaws as amended to date, certified by the Company's Secretary, copies of which are attached as Schedule 2.1 of the Company Disclosure Schedule, are, and will be at the Closing, complete and correct. The Company is duly qualified to do business and in good standing as a foreign corporation in Massachusetts, California, Georgia, Maine, Missouri, Texas and Michigan and it is not required to be licensed or qualified to conduct its business or own its property in any other jurisdiction, except where the failure to be so licensed or qualified would not, individually or in the aggregate, have a material adverse effect on the business, properties, operations, assets, revenues or condition (financial or otherwise) of the Company and its subsidiaries considered as one enterprise (a "Company Material Adverse Effect").

2.2 Capitalization.

(a) Schedule 2.2 of the Company Disclosure Schedule describes the authorized, issued and outstanding capital stock of the Company. No shares of capital stock of the Company are held in the treasury of the Company. Except as set forth on Schedule 2.2 of the Company Disclosure Schedule, all issued and outstanding Company Shares are and will be duly authorized and validly issued, fully paid, nonassessable, were issued in compliance with applicable Federal and State securities laws and are free of all preemptive rights. Except as set forth on Schedule 2.2 of the Company Disclosure Schedule, the Company is subject to no liability on account of the issuance or sale of any securities, including, without limitation, all outstanding Company Shares. Except as set forth on Schedule 2.2 of the Company Disclosure Schedule (which lists, as applicable, the name of the holders, the number and kind of shares of capital stock subject to each instrument, the exercise price or conversion rate, as applicable, the term of such instrument and the extent to which the rights granted under such instrument are vested or may be exercised),

there are no (i) outstanding or authorized subscriptions, warrants, options or other rights granted by the Company or binding upon the Company to purchase or acquire, or preemptive rights with respect to the issuance or sale of, the capital stock of the Company or which obligate or may obligate the Company to issue any additional shares of its capital stock or any securities convertible into or evidencing the right to subscribe for any shares of its capital stock; (ii) other securities of the Company directly or indirectly convertible into or exchangeable for shares of capital stock of the Company; (iii) agreements related to the voting of the Company's capital stock; (iv) restrictions on the transfer of the Company's capital stock (other than restrictions under the Securities Act and state securities laws); (v) registration rights with respect to the Company; or (vi) other agreements among the Company or Company Stockholders and any other person related to the Company Shares. No "phantom" stock, stock appreciation rights or agreements or similar rights or agreements exist which are intended to confer on any person rights similar to any rights accruing to owners of Company Shares.

(b) Each Company Stockholder is the record and beneficial owner of the number and type of Company Shares set forth next to his name on Schedule 2.2 of the Company Disclosure Schedule hereto. Except as set forth on said Schedule 2.2 of the Company Disclosure Schedule, no Company Stockholder owns of record or beneficially any other shares of capital stock of the Company, or any rights, options, or warrants with respect thereto.

2.3 Subsidiaries. Schedule 2.3 of the Company Disclosure Schedule sets forth for each corporation with respect to which the Company, directly or indirectly, has the power to vote or direct the voting of sufficient securities to elect all of the directors (a "Subsidiary"), its name and jurisdiction of incorporation. Each Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation. Except as disclosed in Schedule 2.3 of the Company Disclosure Schedule, each Subsidiary is duly qualified to conduct business and is in good standing under the laws of each jurisdiction in which the nature of its businesses or the ownership or leasing of its properties requires such qualification, except where the failure to so qualify would not, individually or in the aggregate, have a Company Material Adverse Effect. Each Subsidiary has all requisite corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it. Except as disclosed in Schedule 2.3 of the Company Disclosure Schedule, the Company has delivered to the Parent correct and complete copies of the Certificate of Incorporation and Bylaws of each Subsidiary, as amended to date. All of the issued and outstanding shares of capital stock of each Subsidiary are duly authorized and validly issued, fully paid, nonassessable and free of preemptive rights. All shares of each Subsidiary that are held of record or owned beneficially by either the Company or any Subsidiary are held or owned free and clear of any restrictions on transfer (other than restrictions under the Securities Act and state securities laws), claims, security interests, options, warrants, rights, contracts, calls, commitments, equities and demands. There are no outstanding or authorized options, warrants, rights, agreements or commitments to which the Company or any Subsidiary is a party or which are binding on any of them providing for the issuance, disposition or acquisition of any capital stock of any Subsidiary. There are not outstanding stock appreciation, phantom stock or similar rights with respect to any Subsidiary. There are no voting trusts, proxies, or other agreement nor understandings with respect to the voting of any capital stock of any Subsidiary. No Subsidiary

is in default under or in violation of any provision of its Certificate of Incorporation or Bylaws. The Company does not control directly or indirectly or have any direct or indirect equity or similar participation in any corporation, joint venture, partnership, trust or other business association which is not a Subsidiary.

2.4 Authorization of Transaction. The Company has all requisite power and authority to execute, deliver and perform this Agreement and the other agreements to be executed and delivered pursuant to this Agreement (the "Ancillary Agreements"); to perform its obligations hereunder and thereunder, and to carry out the transactions contemplated hereby and thereby. Subject to the adoption of this Agreement and the approval of the Merger by (i) a majority of the outstanding shares of Company Common Stock and Company Preferred Stock, voting together as a single class, (ii) 60% of the outstanding shares of Company Preferred Stock, voting together as a single class, (iii) 60% of the outstanding shares of Series C Preferred Stock of the Company, voting as a separate class, (iv) 51% of the outstanding shares of Series D Preferred Stock of the Company, voting as a separate class, (v) a majority of the outstanding shares of Series A Preferred Stock of the company, voting together as a separate class, (vi) a majority of the outstanding shares of Series B Preferred Stock of the Company, voting together as a separate class, (vii) a majority of the outstanding shares of Series E Preferred Stock of the Company, voting together as a separate class, and (viii) a majority of the outstanding shares of Company Common Stock, voting together as a single class, entitled to vote on this Agreement and the Merger (collectively, the "Requisite Stockholder Approval"), all necessary action, corporate or otherwise, has been taken by the Company to authorize the execution, delivery and performance of this Agreement and each of the Ancillary Agreements and the transactions contemplated hereby and thereby. The Agreement has been, and each Ancillary Agreement will be at the Closing, duly executed and delivered by the Company and the Agreement is, and each of the Ancillary Agreements will be upon the Closing, a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except (i) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and (ii) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

2.5 Present Compliance with Obligations and Laws. Neither the Company nor any Subsidiary is: (a) in violation of its Charter or bylaws; (b) in default in any material respect in the performance of any obligation, agreement or condition of any debt instrument that (with or without the passage of time or the giving of notice) affords to any person the right to accelerate any indebtedness or terminate any right; (c) in default of or in breach of in any material respect (with or without the passage of time or the giving of notice) any other contract to which it is a party or by which it or its assets are bound; or (d) in violation of any court order, judgment, administrative or judicial order, writ, decree, stipulation, arbitration award or injunction (collectively, "Court Orders") or any license, permit, order, franchise agreement, concession, grant, authorization, consent or approval (collectively, "Government Authorizations") that is held by the Company or any Subsidiary applicable to the Company or any Subsidiary or their respective businesses or assets except as set forth on Schedule 2.5 of the Company Disclosure Schedule. The Company and the Subsidiaries have conducted and are now conducting their

businesses and the ownership and operation of their assets in compliance in all material respects with all applicable statutes, laws, ordinances, rules and regulations, including, without limitation, the Clayton Act, the Sherman Act, the Federal Trade Commission Act and the rules and regulations thereunder and all Environmental Laws (as defined in Section 2.18 hereof) (collectively, "Laws") except as set forth on Schedule 2.5 of the Company Disclosure Schedule. All notices and complaints of violations or alleged violations of Law received by the Company or any Subsidiary in the last three (3) years are attached to Schedule 2.5 of the Company Disclosure Schedule together with a description of the status and disposition of such matters.

2.6 No Conflict of Transaction With Obligations and Laws Subject to compliance with the applicable requirements of the Securities Act, any applicable state securities laws, the filing of the Certificate of Merger as required by the DGCL, obtaining the Requisite Stockholder Approval and obtaining the consents listed on Schedule 2.6 of the Company Disclosure Schedule, neither the execution, delivery and performance of this Agreement, nor the performance of the transactions contemplated hereby, will: (i) constitute a breach or violation of the Charter or Bylaws of the Company or any Subsidiary; (ii) require any consent, waiver, exemption, approval or authorization of, declaration, filing or registration with, or giving of notice to any person, court, arbitration tribunal, administrative agency or commission or other governmental or regulatory agency or authority; (iii) constitute (with or without the passage of time or the giving of notice) a breach of, or default under, any debt instrument to which the Company or any Subsidiary is a party, or give any person the right to accelerate any indebtedness or terminate, modify or cancel any right with respect to any indebtedness; (iv) constitute (with or without the passage of time or giving of notice) a default under or breach of in any material respect any other agreement, instrument or obligation to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary or any of their assets are bound; (v) result in the creation of any lien or encumbrance upon any of the assets of the Company or any Subsidiary; (vi) result in a violation of any law, regulation, administrative order or judicial order, decree or judgment applicable to the Company or any Subsidiary, or their businesses or assets; or (vii) invalidate or adversely affect any material permit, license or authorization used in the Company's or any Subsidiary's business. Except as set forth in Schedule 2.6 of the Company Disclosure Schedule, neither the execution, delivery and performance of this Agreement nor the performance of the transactions contemplated hereby will give rise to a right of any party (other than the Company or any Subsidiary) to terminate, modify or cancel any contract, agreement or other instrument required to be disclosed in the Company Disclosure Schedule.

2.7 Financial Statements

(a) The Company has delivered or, in the case of the Unaudited Financial Statements (as defined below), will deliver prior to the Closing Date to Parent the following financial statements:

(i) Audited balance sheets of the Company with respect to the fiscal years ended 1997, 1996 and 1995 and audited statements of income, stockholders' equity and cash flows for the periods then ended, with all required footnotes, accompanied by the report

thereon of PricewaterhouseCoopers LLP, independent public accountants (the "Audited Financial Statements"); and

(ii) An unaudited balance sheet of the Company as of June 30, 1998 (herein the "Base Balance Sheet") and statements of income, stockholders' equity and cash flows for the six months then ended, with all footnotes required in connection with the filing of a Form 10-Q Quarterly Report under the Securities Exchange Act of 1934, as amended (subject to normal, recurring year-end adjustments), certified by the Company's chief executive officer (the "Unaudited Financial Statements").

Said financial statements have been prepared in accordance with GAAP applied consistently during the periods covered thereby, are complete and correct in all material respects and present fairly in all material respects the financial condition of the Company at the dates of said statements and the results of its operations and cash flows for the periods covered thereby. The auditor's letters to management of the Company for fiscal years 1997, 1996 and 1995, are attached as Schedule 2.7(a) of the Company Disclosure Schedule.

(b) Except as set forth on Schedule 2.7(b) of the Company Disclosure Schedule, as of the date of the Base Balance Sheet, the Company had no liabilities of any nature, whether accrued, absolute, contingent or otherwise (including without limitation liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for taxes due or then accrued or to become due or contingent or potential liabilities relating to activities of the Company or the conduct of its business prior to the date of the Base Balance Sheet), except liabilities stated or adequately reserved against on the Base Balance Sheet or reflected in the Company Disclosure Schedules (including the Audited Financial Statements) furnished to Parent hereunder as of the date hereof and except for any liabilities not required under GAAP, applied consistently with the Company's past practice, to be disclosed as a liability on a balance sheet of the Company or in the footnotes thereto.

2.8 Absence of Undisclosed Liabilities. Neither the Company nor any Subsidiary has any liabilities of any nature, whether accrued, absolute, contingent or otherwise (including without limitation liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for taxes due or then accrued or to become due), except: (a) liabilities stated or adequately reserved against on the Base Balance Sheet, (b) liabilities incurred since the Base Balance Sheet Date in the ordinary course of business consistent with past practices (none of which is a claim for breach of contract, breach of duty, breach of warranty, tort, or infringement of an intellectual property right), and (c) liabilities disclosed on Schedule 2.8 of the Company Disclosure Schedule. To the knowledge of the Company, there is no fact that materially adversely affects the business, properties, operations or conditions of the Company or any Subsidiary which has not been specifically disclosed herein or in a schedule hereto.

2.9 Conduct of Business; Absence of Certain Changes. Since June 30, 1998, the Company and the Subsidiaries have conducted their businesses only in the ordinary course of

business, consistent with prior practices and, whether or not in the ordinary course of business, there has not been any change in the financial condition, including working capital, earnings, reserves, properties, assets, liabilities, business or operations, of the Company or any Subsidiary considered as one enterprise which change, by itself or in conjunction with all other such changes, whether or not arising in the ordinary course of business, has been materially adverse with respect to the Company or any Subsidiary considered as one enterprise. Without limiting the generality of the foregoing, except as disclosed on Schedule 2.9 of the Company Disclosure Schedule, since the Base Balance Sheet Date there has not been:

(a) any amendment to the Charter or bylaws of the Company or any Subsidiary;

(b) any contingent liability incurred by the Company or any Subsidiary as guarantor or otherwise with respect to the obligations of others;

(c) any encumbrance placed on any of the properties of the Company or any Subsidiary which remains in existence on the date hereof;

(d) any obligation or liability incurred by the Company or any Subsidiary other than obligations and liabilities incurred in the ordinary course of business consistent with past practice (none of which is a claim for breach of contract, breach of duty, breach of warranty, tort or infringement of an intellectual property right);

(e) any sale or other disposition, or any agreement or other arrangement for the sale or other disposition, of any of the properties or assets of the Company or any Subsidiary other than (i) in the ordinary course of business or (ii) other than the Singapore Asset Sales (as defined in Section 4.4(e) of this Agreement);

(f) any capital expenditure or commitment in excess of $25,000 with respect to any individual item or in excess of $50,000 with respect to all such items, or any lease or agreement to lease any assets with an annual rental in excess of $25,000 with respect to any individual item or in excess of $50,000 with respect to all such items;

(g) any damage, destruction or loss, whether or not covered by insurance, of any of the assets or business of the Company or any Subsidiary;

(h) any declaration, setting aside or payment of any dividend on, or the making of any other distribution in respect of, the capital stock of the Company, any direct or indirect redemption, purchase or other acquisition by the Company of its capital stock or any issuance of any securities of the Company;

(i) any labor trouble or claim of unfair labor practices involving the Company or any Subsidiary;

(j) any material change in the compensation or other amounts payable or to become payable by the Company or any Subsidiary to any of its officers, employees or agents; or any change in any bonus, pension or profit sharing payment, entitlement or arrangement made to or

with any of such officers, employees or agents; or any grant of any loans or severance or termination pay (other than as set forth on Schedule 2.9 of the Company Disclosure Schedule consistent with the Company's or any Subsidiary's established severance pay practices); or any entrance into or material variation of the terms of any employment agreement or adoption of or increase in, the benefits under any Benefit Plan (as defined in Section 2.17 hereof);

(k) any change with respect to the management or supervisory personnel of the Company or any Subsidiary other than as set forth on Schedule 2.9 of the Company Disclosure Schedules;

(l) any payment or discharge of a material lien, claim, obligation or liability of the Company or any Subsidiary which was not shown on the Base Balance Sheet or incurred in the ordinary course of business thereafter;

(m) any obligation or liability incurred by the Company or any Subsidiary to any of its officers, directors or shareholders or any loans or advances made by the Company or any Subsidiary to any of its officers, directors or shareholders, except normal compensation and expense allowances payable to officers other than as set forth on Schedule 2.9 of the Company Disclosure Schedule;

(n) any write-offs as uncollectible of any notes or accounts receivable, except for write-downs or write-offs that are in the aggregate less than $10,000 incurred in the ordinary course of business;

(o) any disposal, sale, assignment, license or lapse of any rights to the use of any trademark, tradename, patent, copyright, license other than in the ordinary course of business or disposal, sale, assignment, or license of or disclosure to any person other than Parent of any trade secret, technology, formula, process, know-how or other confidential information not theretofore a matter of public knowledge other than pursuant to confidentiality agreements or in the ordinary course of business;

(p) any change in any method of accounting or accounting practice, whether or not such change was permitted by GAAP; or

(q) any agreement, whether in writing or otherwise, to take any action described in this Section 2.09.

2.10 Payment of Taxes.

(a) Each of the Company and the Subsidiaries has duly and timely filed all Federal, state, local, and foreign, government income, excise, gross receipts and franchise tax returns, real estate and personal property tax returns, sales and use tax returns, employee tax and contribution returns and all other tax returns, reports and declarations, including valid extensions therefor, or estimated taxes required to be filed by it, with respect to all applicable taxes (the "Tax Returns") including, without limitation, income, profit, franchise, sales, use, real property, personal property, ad valorem, excise, employment, social security and wage withholding taxes,

severance, stamp, occupation, and windfall taxes, of every kind, character or description imposed by any governmental or quasi-governmental authority (domestic or foreign), and any interest or fines, and any and all penalties or additions relating to such taxes, charges, fees, levies or assessments ("Taxes"). All of the Tax Returns are complete and correct in all material respects. The Federal and state Tax Returns filed by the Company and the Subsidiaries for the most recent three (3) fiscal years have been provided to the Parent. All Taxes shown to be due on such Tax Returns have been paid or are being contested in good faith by the Company and such contest is being diligently pursued, all of which contested taxes are listed on Schedule 2.10 of the Company Disclosure Schedule. With respect to all other Taxes for which no return is required or which have not yet accrued or otherwise become due, to the Company's knowledge, adequate provision has been made in the pertinent financial statements referred to in Section 2.7 above (as of the date thereof). The provisions for Taxes reflected in the above-mentioned financial statements are adequate to cover any tax liabilities of the Company and the Subsidiaries in respect of their business, properties and operations during the periods covered by said financial statements and all prior periods. All Taxes and other assessments and levies which the Company or any Subsidiary is required to withhold or collect have been withheld or collected and paid over or will be paid over to proper governmental authorities as required. All transfer, excise and other taxes payable to any jurisdiction by reason of the surrender of the Company Shares pursuant to this Agreement shall be paid or provided for by the Company Stockholders after the Closing out of the consideration payable by Parent hereunder.

(b) Except as set forth on Schedule 2.10 of the Company Disclosure Schedule, the Tax Returns have never been examined by any governmental agency, including the Internal Revenue Service and The Commonwealth of Massachusetts Department of Revenue. The Company is not aware of any intention on the part of any governmental agency to examine any of the Tax Returns. Except as set forth on Schedule 2.10 of the Company Disclosure Schedule, no deficiencies have been asserted or assessments made against the Company or any Subsidiary, nor is the Internal Revenue Service nor any other taxing authority now asserting or, to the knowledge of the Company, threatening to assert against the Company or any Subsidiary any deficiency or claim for additional taxes or interest thereon or penalties in connection therewith. Neither the Company nor any Subsidiary has extended the time for the filing of any Tax Return or the assessment of deficiencies or waived any statute of limitations for any year, which extension or waiver is still in effect.

(c) Neither the Company nor any Subsidiary has filed a consent under Section 341(f) of the Internal Revenue Code of 1986, as amended (the "Code"). Neither the Company nor any Subsidiary has ever been part of an affiliated group filing consolidated returns, or entered into any tax allocation or tax sharing agreement.

2.11 Title to Properties; Liens; Condition of Properties.

(a) Neither the Company nor any Subsidiary owns any real property. Set forth on Schedule 2.11 of the Company Disclosure Schedule is a listing of all leases under which the Company or any Subsidiary leases real property, together with a description of such property, the name of the landlord and a description of the significant terms of each lease ("Real Property").

Also set forth on Schedule 2.11 of the Company Disclosure Schedule is a listing of the machinery, equipment and other tangible personal property with an original cost in excess of $5,000 used or owned by the Company and the Subsidiaries and a listing of all leases under which the Company or any Subsidiary leases any personal property as of the Closing Date requiring annual rental payments in excess of $10,000, together with a description of such property (collectively, the "Material Personal Property"). Schedule 2.11 of the Company Disclosure Schedule lists all locations where Material Personal Property is located. Except for assets or properties acquired since June 30, 1998 and set forth on Schedule 2.11 of the Company Disclosure Schedule, all of the assets and properties of the Company are reflected on the Base Balance Sheet (except to the extent not required to be so reflected by GAAP). The only intangible assets and properties owned by the Company or used in the conduct of its business are the Company Intellectual Property Rights (as defined in Section 2.14) and the Company Third Party Intellectual Property Rights.

(b) To the knowledge of the Company, all of the foregoing agreements set forth on Schedule 2.11 of the Company Disclosure Schedule are valid, subsisting and enforceable in accordance with their terms against the parties thereto. The Company and the Subsidiaries are in compliance with all terms and conditions of such agreements and no event has occurred nor does any circumstance exist that (with or without notice or the passage of time or both) would constitute a material violation or default under any such agreements and neither the Company nor any Subsidiary has given or received notice of any alleged violation or of any default under any such agreement.

(c) Except as specifically disclosed on Schedule 2.11 of the Company Disclosure Schedule or on the Base Balance Sheet, the Company and the Subsidiaries have good and marketable title in fee simple to all of their personal property,. None of the real or personal property owned or used by the Company or any Subsidiary is subject to any encumbrance (other than for taxes not yet due and payable), or other adverse claim or charge or interest of any kind, except as specifically disclosed on Schedule 2.11 of the Company Disclosure Schedule or on the Base Balance Sheet.

(d) Except as set forth on Schedule 2.11 of the Company Disclosure Schedule, all buildings, machinery and equipment used or owned by the Company and the Subsidiaries are in satisfactory condition, working order and repair, normal wear and tear excepted, are adequate for the uses to which they are being put, and have been adequately maintained.

(e) There are no outstanding contracts made by the Company or any Subsidiary for the construction or repair of any improvements to the Real Property that have not been fully paid for.

(f) Neither the Company nor any Subsidiary has received any written notice from any insurance carrier of any defects or inadequacies in the Real Property, or in any portion thereof, that would adversely affect the insurability thereof or the cost of such insurance, or that requires corrective action. There are no pending insurance claims of the Company or any Subsidiary related to the Real Property.

2.12 Collectibility of Accounts Receivable. All of the accounts receivable, trade accounts, notes receivable, contract receivables, unbilled invoices and other receivables ("Receivables") of the Company shown or reflected on the Base Balance Sheet, less a reserve for bad debts in the amount shown on the Base Balance Sheet are, and those existing on the Closing Date, will be, (a) valid and enforceable claims, (b) which arose out of transactions with unaffiliated parties, (c) to the knowledge of the Company, fully collectible within ninety (90) days of invoice date through normal means of collection, and (d) subject to no set-off, defense or counterclaim. The reserves for doubtful accounts and the values at which Receivables are accrued on the Base Balance Sheet are, and will be, accrued in accordance with GAAP applied on a basis consistent with prior financial statements of the Company. A complete and accurate list of each Receivable accrued on the Company's books on August 31, 1998, which lists the name, age and amount thereof, has been delivered to Parent. An accurate summary of the aging of the Company's Receivables on August 31, 1998 is attached as Schedule 2.12 of the Company Disclosure Schedule. Since January 1, 1997, there has not been a material change in the Company's receivables' aging practice.

2.13 Intentionally Omitted.

2.14 Intellectual Property Rights.

(a) The Company and the Subsidiaries own, or are licensed or otherwise possess legally enforceable rights to use, all patents, trademarks, trade names, service marks, copyrights, trade secrets and any applications therefor, maskworks, formulae, net lists, designs, schematics, technology, know-how, computer software programs or applications (in both source code and object code form), and tangible or intangible proprietary information or material that are used or proposed by the Company or any Subsidiary to be used in the business of the Company or any Subsidiary as currently conducted (excluding any of the foregoing validly licensed or purchased from third parties as set forth on Schedule 2.14(b)(ii) of the Company Disclosure Schedule) (the "Company Intellectual Property Rights"). Schedule 2.14(a) of the Company Disclosure Schedule sets forth a list of all trademarks, service marks, trade names, registered copyrights (and any applications for the registration thereof), patents, and patent applications owned or licensed (and specifically identified in the license agreement) and used or held for use by the Company or any Subsidiary that relate to or are part of the Company's or any Subsidiary's products or products proposed by the Company or any Subsidiary or are used in the business of the Company or any Subsidiary, specifying as to each, as applicable: (i) the nature of such rights; (ii) the owner of such rights; and (iii) with respect to all trademarks, service marks, trade names and registered copyrights (and any applications for the registration thereof) owned by the Company, the jurisdictions by or in which such right has been issued or registered or in which an application for such issuance or registration has been filed, including the respective registration or application numbers. The Company does not own any patents or patent applications. Where required, the Company and the Subsidiaries have received executed assignments for Company Intellectual Property Rights and have recorded such assignments with the appropriate domestic or foreign filing offices.

(b) Schedule 2.14(b)(i) and Schedule 2.14(b)(ii) of the Company Disclosure Schedule sets forth a complete list of (i) all licenses, sublicenses and other agreements as to which the Company or any Subsidiary is a party and pursuant to which any person is authorized to use any Company Intellectual Property Right or any trade secret that is material to the Company or any Subsidiary including the identity of all parties thereof; and (ii) all licenses, sublicenses and other agreements as to which the Company or any Subsidiary is a party and pursuant to which the Company or any Subsidiary is authorized to use (1) any third party patents, trademarks, trade secrets or copyrights (including software) (the "Company Third Party Intellectual Property Rights") which are incorporated in, are, or form a part of, any Company product, or (2) any trade secret of a third party in or as to any product of the Company or any Subsidiary including the identity of all parties thereto. To the knowledge of the Company, the Company Third Party Intellectual Property Rights have been assigned to or licensed by the licensor of such right.

(c) Other than as set forth on Schedule 2.14 of the Company Disclosure Schedule, neither the Company nor any Subsidiary is, nor will it be as a result of the execution and delivery of this Agreement or the performance of its obligations hereunder, in breach or violation of any license, sublicense or agreement described on Schedule 2.14(b) of the Company Disclosure Schedule. No claims with respect to the Company Intellectual Property Rights, any trade secret that is material to the Company, or the Company Third Party Intellectual Property Rights (to the extent arising out of any use, reproduction or distribution of such Company Third Party Intellectual Rights by or through the Company), have been asserted or to the knowledge of the Company, are threatened by any person. Neither the Company nor any Subsidiary knows of any valid grounds for any bona fide claims against the Company (i) to the effect that the manufacture, sale, licensing or use of any product as now used, sold or licensed or proposed for use, sale or license by the Company or any Subsidiary infringes on any copyright, patent, trademark, service mark or trade secret; (ii) against the use of any trademarks, tradenames, trade secrets, copyrights, patents, technology, know-how or computer software programs and applications used in the Company's or any Subsidiary's business as currently conducted or as proposed to be conducted by the Company; (iii) challenging the ownership, validity, enforceability or effectiveness of any of the Company Intellectual Property Rights or other trade secret that is material to the Company or any Subsidiary considered as one enterprise; or (iv) challenging the Company's or any Subsidiary's license or legally enforceable right to use, or the validity, enforceability or effectiveness of, the Company Third Party Intellectual Property Rights.

(d) Other than as set forth on Schedule 2.14 of the Company Disclosure Schedule, all registered trademarks, service marks, and copyrights held by the Company are valid and subsisting. To the knowledge of the Company, there has been and is no unauthorized use, disclosure, infringement or misappropriation of any of the Company Intellectual Property Rights or any trade secret material to the Company or any Subsidiary considered as one enterprise, or any Company Third Party Intellectual Property Right to the extent licensed by or through the Company or any Subsidiary, by any third party, including any employee or former employee of the Company or any Subsidiary. Except as set forth on Schedule 2.14(d) of the Company Disclosure Schedule, neither the Company nor any Subsidiary (i) has been sued or charged in writing as a defendant in any claim, suit, action or proceeding which involves a claim of infringement of any patents, trademarks, service marks, copyrights or violation of any trade

secret or any proprietary right of any third party; (ii) has been threatened or charged in writing, orally or otherwise with infringement or violation of any patents, trademarks, service marks, copyrights or trade secrets or other proprietary right of any third party; and (iii) has knowledge of valid grounds for any such threat or claim.

(e) No Company Intellectual Property Right or trade secret that is material to the Company is subject to any outstanding order, judgment, decree, legal or governmental proceeding (other than pending applications for patent, trademark registration or copyright registration) or stipulation restricting in any manner the licensing thereof by the Company. To the knowledge of the Company, no Company Third Party Intellectual Property Right is subject to any outstanding order, judgment, decree, legal or governmental proceeding (other than pending applications for patent, trademark registration or copyright registration) or stipulation restricting in any manner the licensing thereof by the Company or any Subsidiary. Except for contracts licensing the Company's products executed in the ordinary course of business and in accordance with the Company's past practices in the form attached to Schedule 2.14(e) of the Company Disclosure Schedule, neither the Company nor any Subsidiary has entered into any agreement to indemnify any other person against any charge of infringement of any Company Third Party Intellectual Property Right.

(f) The Company and the Subsidiaries have taken reasonable measures to protect and preserve (i) the validity and enforceability of trademarks included in the Company Intellectual Property Rights, (ii) the validity and enforceability of copyrights included in the Company Intellectual Property Rights, and (iii) the confidentiality and validity and enforceability of its trade secrets and other confidential information it wishes to remain as confidential. Except as set forth on Schedule 2.14(f) of the Company Disclosure Schedule, all employees, contractors, agents and consultants of the Company and the Subsidiaries have executed a nondisclosure and assignment of inventions agreement in the form attached as Schedule 2.14(f) of the Company Disclosure Schedule to protect the confidentiality and to vest in the Company and the Subsidiaries exclusive ownership of such intellectual property rights. To the knowledge of the Company and the Subsidiaries, no material trade secret or confidential information of the Company or any Subsidiary has been used, divulged, appropriated or misappropriated for the benefit of any person other than the Company and the Subsidiaries or otherwise to the detriment of the Company and the Subsidiaries considered as one enterprise. To the knowledge of the Company and the Subsidiaries, no employee, contractor, agent or consultant of the Company or any Subsidiary has used any trade secrets or other confidential information of any other person in the course of their work for the Company and the Subsidiaries. Except as set forth on Schedule 2.14(f) of the Company Disclosure Schedule, neither the Company nor any Subsidiary has written or oral agreements with employees, contractors, agents or consultants with respect to the ownership of inventions, trade secrets or other works created by them as a result of which any such employee, contractor, agent or consultant may have nonexclusive rights to the portions of the Company's Intellectual Property Rights so created by such individual.

(g) To the knowledge of the Company, no officer, employee, contractor, agent or consultant of the Company or any Subsidiary is, or is now expected to be, in violation of any term of any employment contract, patent disclosure agreement, proprietary information

agreement, noncompetition agreement, nonsolicitation agreement, confidentiality agreement, or any other similar contract or agreement or any restrictive covenant relating to the right of any such officer, employee, contractor, agent or consultant to be employed or engaged by the Company or any Subsidiary because of the nature of the business conducted or to be conducted by the Company or any Subsidiary or relating to the use of trade secrets or proprietary information of others, and to the Company's knowledge and belief, the continued employment or retention of its officers, employees, contractors, agents or consultants does not subject the Company or any Subsidiary to any liability with respect to any of the foregoing matters.

(h) Except as set forth on Schedule 2.14(h) of the Company Disclosure Schedule, neither the Company nor any Subsidiary has deposited, or is obligated to deposit, any source code regarding its products into any source code escrows or similar arrangements and neither the Company nor any Subsidiary is under any contractual or other obligation to disclose the source code or any other material proprietary information included in or relating to its products.

2.15 Contracts and Commitments.

(a) Except for contracts, commitments, plans, agreements and licenses described in Schedule 2.15(a) hereto, neither the Company nor any Subsidiary is a party to or subject to any contract, agreement or commitment (written or oral):

(i) for the purchase of any commodity, material, equipment or asset (except for purchase orders in the ordinary course of business involving payments of less than $10,000 each);

(ii) creating any obligations of the Company or any Subsidiary after the Base Balance Sheet Date which call for payments of more than $20,000 during any month for agreements without a fixed term or more than $50,000 over the term of the agreement for agreements with a fixed term;

(iii) providing for the purchase of all or substantially all of its requirements of a particular product from a supplier;

(iv) or plan, including, without limitation, any stock option plan, stock appreciation right plan or stock purchase plan, any of the benefits of which will be increased, or the vesting of benefits of which will be accelerated, by the occurrence of any of the transactions contemplated by this Agreement or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement;

(v) relating to the disposition or acquisition of assets not in the ordinary course of business or any ownership interest in any corporation, partnership, joint venture or other business enterprise;

(vi) for joint marketing, teaming or development;

(vii) with any dealer, franchiser, original equipment manufacturer, value-added reseller, or manufacturer's representative;

(viii) pertaining to the Company's or any Subsidiary's maintenance or support of its products, services or supplies;

(ix) which by its terms does not terminate or is not terminable without premium or penalty by the Company or any Subsidiary (or its successor or assign) upon ninety (90) days notice;

(x) for the sale or lease of its products not made in the ordinary course of business;

(xi) with any sales agent or distributor of products of the Company or any Subsidiary;

(xii) containing covenants limiting the freedom of the Company or any Subsidiary to compete in any line of business or with any person or entity;

(xiii) for a license or franchise (as licensor or licensee or franchisor or franchisee);

(xiv) involving any arrangement or obligation with respect to the return of products other than on account of a defect in condition, or failure to conform to the applicable contract;

(xv) with the United States government; or

(xvi) which is material to the assets or business of the Company and the Subsidiaries considered as one enterprise.

(b) Each of the contracts, commitments, plans, agreements and licenses to which the Company or any Subsidiary is a party, including those listed on Schedule 2.15(a) (each a "Contract") is valid, binding and enforceable against the Company and the Subsidiaries, as applicable and, to the knowledge of the Company, against the other parties thereto; the Company and the Subsidiaries are in compliance in all material respects with all terms and conditions of each Contract; and, except as set forth on Schedule 2.15(b), no event has occurred or, to the knowledge of the Company, no circumstance exists that (with or without notice or the passage of time or both) would constitute a material violation of or default under such Contract by the Company or any Subsidiary or, to the knowledge of the Company, by the other party or parties thereto, and neither the Company nor any Subsidiary has given or received notice of any alleged violation of or default under any such Contract.

(c) Except as set forth on Schedule 2.15(c), to the knowledge of the Company, neither the Company nor any Subsidiary is a party to any Contract or order for the sale of goods or the performance of services which, if performed by the Company or such Subsidiary, as applicable in accordance with its terms, could only be performed by the Company or such Subsidiaries, as applicable with a negative gross profit margin or which has no reasonable likelihood of being performed within the time limits therein provided.

(d) Since January 1, 1998, except as set forth on Schedule 2.15(d) to the Company Disclosure Schedule, neither the Company nor any Subsidiary has experienced any termination, cancellation, limitation or modification or change in any business relationship with any material customer, nor has the Company or any Subsidiary received notice or otherwise have knowledge that any customer intends to cease, or materially reduce or change the terms of, doing business with the Company or any Subsidiary or to terminate any agreement with the Company or any Subsidiary where such action has had or would have a material adverse effect on the business of the Company or any Subsidiary considered as one enterprise. Schedule 2.15(d) lists every material customer of the Company and the Subsidiaries considered as one enterprise and the amount of business with that customer. No supplier of the Company during fiscal 1995, 1996 and 1997, accounted for more than five percent (5%) by value of the orders of the Company and the Subsidiaries considered as one enterprise for purchase of all its raw materials and other products essential to its manufacturing processes for such year. A customer is material if it accounted for more than three percent (3%) by value of the orders of the Company and the Subsidiaries considered as one enterprise in either fiscal 1995, 1996 or 1997.

(e) The total backlog of the Company and the Subsidiaries considered as one enterprise as of August 31, 1998 (including all accepted and unfulfilled sales orders) is not materially less than the backlog amount set forth on Schedule 2.15(e), and the aggregate of all outstanding purchase orders issued by the Company and the Subsidiaries considered as one enterprise as of August 31, 1998 (including all contracts or commitments for the purchase by the Company of materials or other supplies) is not materially more than the purchase order amount set forth on such Schedule 2.15(e). All such sales and purchase commitments were made in the ordinary course of business.

2.16 Labor and Employee Relations.

(a) Except as listed on Schedule 2.16 hereto, there are no currently effective consulting or employment agreements or other agreements with individual consultants or employees to which the Company or any Subsidiary is a party or of which the Company or any Subsidiary is a beneficiary (including noncompetition covenants). Complete and accurate copies of all such written agreements have been furnished to Parent. Also listed on Schedule 2.16 are the name and rate of compensation (including all bonus compensation and other remunerative payments of any kind) of each officer, employee or agent of the Company and the Subsidiaries.

(b) None of the employees of the Company or any Subsidiary is covered by any collective bargaining agreement with any trade or labor union, employees' association or similar association. No labor organization or group of employees has made a pending demand for

recognition; there are no labor representation questions involving the Company or any Subsidiary; and, to the knowledge of the Company, there is no organizing activity involving the Company pending by any labor organization or group of employees. There are no representation elections, arbitration proceedings, labor strikes, slowdowns or stoppages, material grievances, lockouts, or other labor troubles pending, or, to the knowledge of the Company, threatened, with respect to the employees of the Company or any Subsidiary, nor has the Company or any Subsidiary experienced any work stoppage or other material labor difficulty during the five (5) years immediately preceding the date of this Agreement.

(c) The Company and the Subsidiaries have complied in all material respects with all applicable Laws relating to the employment of labor, including without limitation those relating to wages, hours, unfair labor practices, discrimination, civil rights, plant closings, immigration and the collection and payment of social security and similar taxes.

(d) There are no complaints, proceedings, investigations or charges against the Company or any Subsidiary pending or, to the knowledge of the Company, threatened before any Government Authority, court or arbitrator, including the National Labor Relations Board or any similar state or local labor agencies, or the Equal Employment Opportunity Commission or any similar state or local agency, by or on behalf of any employee or former employee of the Company or any Subsidiary.

(e) Except as disclosed on Schedule 2.16 of the Company Disclosure Schedule, the Company and the Subsidiaries have paid in full (or made provisions for payment in full) to its employees, agents and contractors all wages, salaries, commissions, bonuses and other direct compensation for all services performed by them. The Company and the Subsidiaries do not have and will not have on the Closing Date, any contingent liability for sick leave, vacation time, holiday pay, severance pay or similar items not set forth on the Base Balance Sheet. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not trigger any severance pay obligation under any contract except as disclosed on Schedule 2.16 of the Company Disclosure Schedule.

(f) Except as set forth on Schedule 2.16 of the Company Disclosure Schedule, there has not been any citation, fine or penalty imposed or asserted against the Company or any Subsidiary under any foreign, federal, state or local law on regulations relating to employment, immigration or occupational safety matters.

2.17 Employee Benefits and ERISA.

(a) Schedule 2.17 of the Company Disclosure Schedule sets forth a brief description of every plan, arrangement or policy, written or oral, relating to current or former employees of the Company or of any member of a controlled group or affiliated service group (as defined in Internal Revenue Code Section 414(b), (c), (m) and (o)) which includes the Company and the Subsidiaries considered as one enterprise (an "Affiliate"), which is:

(i) an employee benefit plan within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); or

(ii) a multiemployer plan within the meaning of Section 3(37) or 4001(a)(3) of ERISA; or

(iii) a compensation, stock purchase, stock option, stock bonus, stock appreciation, severance, health, welfare, life, disability or other benefit plan, fund, program, arrangement or practice which is not covered by clause (i) or (ii) above (including policies related to vacation pay, holiday time, moving expense reimbursement programs, sick leave and salary reduction agreements, charge-in-control agreements, and severance agreements).

(Hereinafter, "ERISA Benefit Plan" refers to plans or arrangements under clauses (i) and (ii) above and "Benefit Plan" refers to plans or arrangements under clauses (i) - (iii) above.)

(b) There are no agreements or commitments of the Company, any Subsidiary or any Affiliate, whether or not legally binding, to create any additional Benefit Plan not listed on Schedule 2.17 of the Company Disclosure Schedule. Except as set forth on Schedule 2.17 of the Company Disclosure Schedule, there are no Benefit Plans for which the Company or any Subsidiary has any liability, either for funding, benefit payments, withdrawal or termination liability, or otherwise. For any Benefit Plan for which a liability exists, the liability is identified on Schedule 2.17 of the Company Disclosure Schedule.

(c) With respect to each Benefit Plan, the Company has furnished to Parent complete and accurate copies of each Benefit Plan described in Schedule 2.17 of the Company Disclosure Schedule, including all amendments thereto. With respect to each ERISA Benefit Plan, the Company has also furnished the most recent Form 5500s and the most recent Internal Revenue Service determination letter (if any), plan actuarial report, summary plan description, summary annual report and employee manual, as well as summaries of material modifications, material employee communications, and all reports of the Benefit Plan required by ERISA and the regulations thereunder. For each health plan offered to current or former employees, attached to Schedule 2.17 of the Company Disclosure Schedule is a listing showing participants, coverage type, COBRA and participants. The Company has also furnished Parent copies of any insurance contracts or trust agreements through which any ERISA Benefit Plan is funded, any custodial or investment contracts relating to assets or benefits under the Benefit Plan, any contracts relating to record keeping or administration for the Benefit Plan, and notice of any material adverse change occurring with respect to any Benefit Plan since the date of the most recently completed and filed annual report.

(d) Except as set forth on Schedule 2.17 of the Company Disclosure Schedule, with respect to each ERISA Benefit Plan which is a pension plan within the meaning of Section 3(2) of ERISA

(i) The value of the ERISA Benefit Plan's assets equals or exceeds the total value of all vested and unvested employee benefits under such Plan, whether determined on an ongoing basis or termination basis;

(ii) there is no "accumulated funding deficiency" and no "prohibited transaction" has occurred (as such terms are defined in ERISA), and the funding method and actuarial assumptions are reasonable and acceptable under ERISA;

(iii) neither the Company nor any Subsidiary has incurred any liability to the Pension Benefit Guaranty Corporation ("PBGC") with respect to the ERISA Benefit Plan;

(iv) any Plan meant to be a qualified plan meets all applicable requirements of Section 401(a) of the Internal Revenue Code;

(v) the Company and the Subsidiaries have properly and timely made all governmental filings with respect to ERISA Benefit Plans;

(vi) the Base Balance Sheet reflects all accrued but unpaid liabilities with respect to such ERISA Benefit Plans;

(vii) there has been no termination or partial termination of any ERISA Plan which is subject to Title IV of ERISA there has been no filing with the PBGC of an intent to terminate any ERISA Benefit Plan, nor has the PBGC instituted any proceedings to terminate any ERISA Benefit Plan; and neither the Company or any Subsidiary nor any Affiliate has received a notice of deficiency or liability or a demand for payment from, or incurred any liability to, the PBGC; and

(viii) if such ERISA Benefit Plan is a multiemployer pension plan to which the Company, any Subsidiary or any Affiliate has made contributions, there would be no withdrawal liability on or after the Closing Date under Title IV of ERISA if the Company, any Subsidiary or any Affiliate ceased to make contributions to the Plan on the day of Closing;

(e) With respect to each Benefit Plan:

(i) each Benefit Plan complies currently and has complied in the past, as to form and operation, with the provisions of all applicable Federal and state laws, such as ERISA and the Internal Revenue Code, including without limitation all requirements regarding discrimination, notification, disclosure, and continuation coverage (under ERISA and the Internal Revenue Code); and no nonexempt

"prohibited transaction" (as defined in Section 4975 of the Code or enumerated in Section 406(a) or (b) of ERISA) has occurred;

(ii) all required government filings, reports, and notices have been properly and timely made, and all such filings and employee disclosures required to be made within thirty (30) days after Closing that are based in whole or in part upon the period prior to the Closing shall have been prepared and delivered to Parent on or before the Closing;

(iii) no such Benefit Plan is currently under audit or investigation by any governmental agency or body and no correction procedures have been initiated or completed with the Internal Revenue Service for any ERISA Benefit Plan meant to be qualified under Section 401 of the Code or with the Department of Labor for any ERISA Benefit Plan;

(iv) there are no actions, suits or claims (other than routine claims for benefits) pending or threatened against any of the Benefit Plans or against the assets of any Benefit Plan;

(v) all premiums due in connection with the Benefit Plan, including without limitation premiums due the PBGC and premiums for life and health insurance and annuity contracts, have been paid in full when due and, except as specifically disclosed on Schedule 2.17 of the Company Disclosure Schedule, there are no such premiums that are attributable to any period of time before the Closing that will not have been paid or accrued for on or before the Closing;

(vi) all reports and filings made pursuant to ERISA, including without limitation all form 5500 and attachments, summary annual reports, and participant reports, and any other documents reasonably necessary to enable Parent to perform its responsibilities with respect to any Benefit Plan subsequent to the Closing, are and shall be available at the offices of the Company on and immediately after the Closing;

(vii) except as required by COBRA (Section 4980B of the Internal Revenue Code) or the Family Medical Leave Act, no Benefit Plan provides health or other welfare benefits to retirees, former employees, or their dependents.

(f) Except as required by COBRA or the Family Medical Leave Act, neither the Company or any Subsidiary nor any Affiliate has made any promises or incurred any obligation to provide any health or other welfare benefits to any retirees, former employees, or their dependents.

(g) The execution and delivery of this Agreement by the Company Stockholders and the consummation of the transactions contemplated hereunder:

(i) do not constitute a prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Internal Revenue Code;

(ii) will not result in any obligation or liability of the Parent of the Company to any employee of the Company, any Subsidiary or any Affiliate or to the PBGC in respect of any Benefit Plan.

2.18 Environmental Matters.

(a) The Company and the Subsidiaries have materially complied with all applicable foreign, national, federal, state and/or local laws (including without limitation case law, rules, regulations, orders, judgments, decrees, permits, licenses and governmental approvals) that are intended to protect the environment and/or human health or safety (collectively, "Environmental Laws").

(b) Neither the Company nor the Subsidiaries have ever handled, generated, used, stored, transported or disposed of any material, substance or waste that is regulated by Environmental Laws, except for reasonable amounts of ordinary office supplies and/or office-cleaning supplies that have been handled in compliance with Environmental Laws.

(c) To the Company's knowledge, there are no "Environmental Liabilities," which, for purposes of this Agreement, means any liabilities whatsoever of the Company or any Subsidiary which arise under any Environmental Laws whether vested or unvested, contingent or fixed, actual or potential, and which arise from or relate to actions occurring (including any failure to act) or conditions existing on or before the Closing Date.

2.19 Government Authorizations. The Company and the Subsidiaries hold all material Government Authorizations that are required for them to own their properties and assets and to permit them to conduct their businesses as presently conducted. All such Government Authorizations are listed on Schedule 2.19 of the Company Disclosure Schedule of the Company Disclosure Schedule, together with the applicable expiration date, and are now, and will be after the Closing, valid and in full force and effect, and Parent shall have full benefit of the same, and no proceeding is pending, or to the knowledge of the Company, threatened seeking the revocation or limitations of any Government Authorization.

2.20 Warranty or Other Claims. Except as disclosed on Schedule 2.20 of the Company Disclosure Schedule, no product manufactured, sold or leased by the Company or any Subsidiary is subject to any guaranty, warranty or, right of return beyond the applicable standard terms and conditions of sale or lease, which have been provided to the Parent, or that may be imposed by law. Schedule 2.20 of the Company Disclosure Schedule sets forth the aggregate expenses incurred by the Company's customer support and service center in fulfilling its obligations under its guaranty, warranty and right of return provisions during each of the fiscal years and the

interim period covered by the Financial Statements; and the Company knows of no reason why such expenses should significantly increase as a percentage of sales in the future. Except as set forth in Schedule 2.20 of the Company Disclosure Schedule, there are no existing or, to the knowledge of the Company threatened claims, against the Company or any Subsidiary for services or merchandise which are defective or fail to meet any service or product warranties other than in the ordinary course of business consistent with past experience. Except as set forth in Schedule 2.20 of the Company Disclosure Schedule, no claim has been asserted against the Company or any Subsidiary since January 1, 1997 for renegotiation or price redetermination of any completed business transaction. The Company's and the Subsidiaries' products are free from known significant defects and, to the knowledge of the Company, conform to the specifications, documentation and sample demonstration furnished to the Company's and the Subsidiaries' customers and made available to Parent.

2.21 Litigation. Except for matters described in Schedule 2.21 of the Company Disclosure Schedule, there is no action, suit, claim, proceeding, investigation or arbitration proceeding pending (or, to the knowledge of the Company, threatened) against or otherwise involving the Company or any Subsidiary or any of the Company Shares or any of the officers, directors, former officers or directors, employees, shareholders or agents of the Company or any Subsidiary (in their capacities as such) and there are no outstanding Court Orders to which the Company or any Subsidiary is a party or by which any of their assets are bound, any of which (a) question this Agreement or any Ancillary Agreement or any action to be taken hereby or thereby or affect the transactions contemplated hereby, or (b) materially restrict the present business properties, operations, prospects, assets or condition, financial or otherwise, of the Company or any Subsidiary or (c) would individually or in the aggregate, have a Company Material Adverse Effect.

2.22 Borrowings and Guarantees. Except as shown on Schedule 2.22 of the Company Disclosure Schedule, there are no agreements or undertakings pursuant to which the Company or any Subsidiary (a) is borrowing or is entitled to borrow any money, (b) is lending or has committed itself to lend any money, or (c) is a guarantor or surety with respect to the obligations of any person. Complete and accurate copies of all such written agreements have been delivered to Parent.

2.23 Financial Service Relations and Powers of Attorney. All of the arrangements that the Company or any Subsidiary has with any bank depository institution or other financial services entity, whether or not in the Company's or any Subsidiary's name, are completely and accurately described on Schedule 2.23 of the Company Disclosure Schedule, indicating with respect to each of such arrangements the type of arrangement maintained (such as checking account, borrowing arrangements, safe deposit box, etc.) and the balance as of June 30, 1998, banking institution and person or persons authorized in respect thereof. Neither the Company nor any Subsidiary has any outstanding power of attorney.

2.24 Insurance.

(a) The Company and the Subsidiaries maintain (i) insurance on all of their property (including leased or owned) real or personal property that insures against loss or damage by fire or other casualty (including extended coverage) and (ii) insurance against liabilities, claims and risks of a nature and in such amounts as are normal and customary in its industry.

(b) Schedule 2.24 of the Company Disclosure Schedule contains a complete and correct list of all policies of insurance maintained by or on behalf of the Company and the Subsidiaries (including insurance providing benefits for employees) in effect on the date hereof, together with complete and correct information with respect to the premiums, coverages, insurers, expiration dates, and deductibles in respect of such policies. The policies listed on Schedule 2.24 of the Company Disclosure Schedule (i) are sufficient to enable the Company and the Subsidiaries to comply in all material respects with all requirements of Laws and all agreements to which it is subject, (ii) will remain in full force and effect through the respective expiration dates of such policies without the payment of additional premiums, and (iii) will not be adversely affected by, or terminate or lapse by reason of, the transactions contemplated by this Agreement. Schedule 2.24 of the Company Disclosure Schedule also sets forth all other insurance policies in effect at any time during the 3-year period ended December 31, 1998 under which the Company currently may be entitled to give notice or otherwise assert a claim.

(c) Except for amounts deductible under the policies of insurance described on Schedule 2.24 of the Company Disclosure Schedule or with respect to risks assumed as a self-insurer and described on such Schedule, neither the Company nor any Subsidiary is, nor has the Company or any Subsidiary at any time been subject to any liability as a self-insurer of the business or assets of the Company or any Subsidiary.

(d) Except as set forth on Schedule 2.24 of the Company Disclosure Schedule, there are no claims pending under any of said policies, or disputes with insurers, and all premiums due and payable thereunder have been paid or accrued and reflected on the Base Balance Sheet, and all such policies are in full force and effect in accordance with their respective terms. No notice of cancellation or termination has been received with respect to any such policy and, to the knowledge of the Company, there is no basis upon which the insurance company would have the right to terminate any such policy during the policy term and no notice relating to non-renewal reduction of coverage or increase in premium has been received by the Company with respect to any such policy. The Company has not been refused any insurance with respect to assets or operations, nor has its coverage been limited by any insurance carrier with which it has applied for any such insurance or with which it has carried insurance.

(e) Except as set forth on Schedule 2.24 of the Company Disclosure Schedule, neither the Company nor any Subsidiary has any current or prior insurance policy which remains subject to a retrospective adjustment of the premiums payable thereunder.

2.25 Corporate Books, Records and Accounts.

(a) Except as set forth on Schedule 2.25 of the Company Disclosure Schedule, the minute books and stock ledgers of the Company and the Subsidiaries, copies of which have been made available for inspection by Parent, accurately record all material action taken by the Company's and the Subsidiaries' stockholders, board of directors and committees thereof.

(b) The Company's books, records and accounts fairly and accurately reflect transactions and dispositions of assets by the Company, and the system of internal accounting controls of the Company is sufficient to assure that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

2.26 Finder's Fee. Except as set forth on Schedule 2.26 of the Company Disclosure Schedule, neither the Company nor any Subsidiary has incurred or become liable for any broker's commission or finder's fee relating to or in connection with the transactions contemplated by this Agreement.

2.27 Transactions with Interested Persons. Except as set forth on Schedule 2.27 of the Company Disclosure Schedule, no officer, supervisory employee, director or 5% stockholder of the Company or any Subsidiary, or their respective spouses or children, (i) owns, directly or indirectly, on an individual or joint basis, any interest in, or serves as an officer or director of, any customer, competitor or supplier of the Company or any Subsidiary or any organization that has a contract or arrangement (written or oral) with the Company or any Subsidiary, or (ii) has any contract or agreement (written or oral) with the Company or any Subsidiary, and all such agreements are on arms-length terms.

2.28 Absence of Sensitive Payments. Neither the Company nor any Subsidiary has, nor to the knowledge of the Company, have any of the Company's or any Subsidiary's directors, officers, agents, stockholders or employees or any other person associated with or acting on behalf of the Company or any Subsidiary:

(a) made or agreed to make any solicitations, contributions, payments or gifts of funds or property to any governmental official, employee or agent where either the payment or the purpose of such solicitation, contribution, payment or gift was or is illegal under the laws of the United States, any state thereof, or any other jurisdiction (foreign or domestic) or prohibited by the policy of the Company or any Subsidiary or of any of theirs suppliers or customers;

(b) established or maintained any unrecorded fund or asset for any purpose, or has made any false or artificial entries on any of its books or records for any reason; or

(c) made or agreed to make any contribution or expenditure, or reimbursed any political gift or contribution or expenditure made by any other person to candidates for public office, whether federal, state or local (foreign or domestic) where such contributions were or would be a violation of applicable Laws.

2.29 Disclosure of Material Information. No representation or warranty by the Company contained in this Agreement, and no statement contained in the Company Disclosure Schedule, any exhibit to this Agreement or certificate issued by or to be issued by the Company and furnished or to be furnished to the Parent pursuant to the Agreement contains or will contain any untrue statement of a material fact or omits, or will omit to state any material fact necessary, in light of the circumstances under which it was or will be made, in order to make the statements herein or therein not misleading..

2.30 Pooling. Neither the Company or any Subsidiary nor any of the Company's "affiliates" (as defined in Opinion No. 16, as amended, of the Accounting Principles Board of the American Institute of Certified Public Accountants and the interpretive rulings issued thereunder) has taken or agreed to take any action that would affect the ability of Parent to account for the business combination to be effected by the Merger as a pooling of interests under GAAP and applicable Securities and Exchange Commission ("SEC") interpretations.

2.31 Year 2000. Except as set forth on Schedule 2.31 of the Company Disclosure Schedule, no operating codes, programs, utilities or other software produced by the Company or any Subsidiary and licensed or sold by the Company or any Subsidiary to third parties (the "Software"), will materially fail to operate in accordance with the published specifications for such Software due to the occurrence of the date January 1, 2000 or any subsequent date.

2.32 Regulatory Correspondence. The Company has made available to the Parent true and correct copies of any and all material correspondence from or to any federal, governmental or regulatory agencies or bodies since January 1, 1997.

2.33 Company Action.

(a) The Board of Directors of the Company, at a meeting duly called and held, has (i) determined that the Merger is fair and in the best interests of the Company and its stockholders, (ii) approved the Merger in accordance with the provisions of the DGCL, (iii) approved this Agreement, the Certificate of Merger and the Ancillary Agreements, (iv) authorized the execution and delivery of this Agreement, the Certificate of Merger and the Ancillary Agreements and (v) directed that this Agreement and the Merger be submitted to the Company Stockholders for their approval and resolved to recommend that Company Stockholders vote in favor of the approval of this Agreement and the Merger.

(b) The Company has obtained and delivered to the Parent the written agreement of Steve Boulanger and James A. Pelusi substantially in the form attached hereto as Exhibit 2.33 (an "Affiliate Agreement") pursuant to which among other things each such person has agreed to vote all Company Shares owned by him or over which he has voting control, in favor of the

Merger and this Agreement and irrevocably granted a proxy, coupled with an interest, to the Parent or its designee to vote such Company Shares in favor of this Agreement and the Merger.

2.34 HSR Act. The Company and its Subsidiaries considered as one enterprise do not have assets valued at $15,000,000 or more or annual net sales of $25,000,000 or more within the meaning of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act").

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE PARENT AND THE ACQUISITION SUBSIDIARY

Each of the Parent and the Acquisition Subsidiary hereby jointly and severally represents and warrants to the Company that the statements contained in this Article III are true and correct, except as set forth in the disclosure schedule attached hereto (the "Parent Disclosure Schedule"). The Parent Disclosure Schedule shall be initialed by the Parties and shall be arranged in paragraphs corresponding to the numbered and lettered paragraphs contained in this Article III.

3.1 Organization of Parent and Acquisition Subsidiary. The Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware with full corporate power and authority to own, lease and operate its properties and to conduct its business in the manner and in the places where such properties are owned or leased or such business is conducted by it. The Parent is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the character of the property owned or leased by it or the nature of its activities makes such qualification necessary, except for those jurisdictions where the failure to be so qualified would not, individually or in the aggregate, have a material adverse effect on the business, properties, operations, assets, revenues or condition (financial or otherwise) of the Parent and its subsidiaries considered as one enterprise (a "Parent Material Adverse Effect"). The Acquisition Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware with full corporate power and authority to own, lease and operate its properties and to conduct its business in the manner and in the places where such properties are owned or leased or such business is conducted by it. The Parent owns all of the issued and outstanding capital stock of the Acquisition Subsidiary. The Acquisition Subsidiary was formed solely for the purpose of the Merger and engaging in the transactions contemplated hereby. Except for obligations or liabilities incurred in connection with its incorporation, continuing existence or the transactions contemplated hereby, the Acquisition Subsidiary has not incurred, directly or indirectly through any subsidiary or affiliate, any obligations or liabilities or engaged in any business or activities of any kind whatsoever or entered into any agreements or arrangements with any person or entity.

3.2 Capitalization. All of the Merger Shares will be, when issued in accordance with this Agreement, duly authorized, validly issued, fully paid, nonassessable, free of all preemptive rights and issued in compliance with applicable federal and state securities laws. There are no

authorized or outstanding options, warrants, calls, rights, commitments or other agreements of any character to which the Acquisition Subsidiary is a party or by which it is bound requiring it to issue, transfer, sell, purchase, redeem or acquire any shares of capital stock or any securities or rights convertible into, exchangeable for, or evidencing the right to subscribe for or acquire, any shares of capital stock of Acquisition Subsidiary. Each share of Parent Common Stock to be issued at the Effective Time will be accompanied by one Parent Purchase Right.

3.3 Authorization of Transaction. Each of the Parent and the Acquisition Subsidiary has all requisite power and authority to execute, deliver and perform this Agreement and the Ancillary Agreements and to perform its obligations hereunder and thereunder and to consummate the Merger and the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Agreements and the performance of this Agreement and the consummation by each of the Parent and the Acquisition Subsidiary of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate action on the part of each of the Parent and the Acquisition Subsidiary. This Agreement has been, and each of the Ancillary Agreements will be upon the Closing, duly and validly executed and delivered by each of the Parent and the Acquisition Subsidiary and the Agreement is, and each of the Ancillary Agreements will be upon the Closing, a legal, valid and binding obligation of the Parent and the Acquisition Subsidiary, enforceable against them in accordance with its terms, except (i) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and (ii) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

3.4 No Conflict of Transaction With Obligations and Laws. Subject to compliance with the applicable requirements of the DGCL, the Securities Act, any applicable state takeover or securities laws and the Nasdaq National Market and the filing of the Certificate of Merger and any other documents as required by the DGCL, neither the execution, delivery and performance of this Agreement, nor the performance of the transactions contemplated hereby, will: (i) constitute a breach or violation of the Charter or Bylaws of the Parent or the Acquisition Subsidiary; (ii) require any consent, waiver, exemption, approval or authorization of, declaration, filing or registration with, or giving of notice to, any person, court, arbitration tribunal, administrative agency or commission or other governmental or regulatory agency or authority (iii) conflict with or constitute (with or without the passage of time or the giving of notice) a breach of, or default under, any debt instrument to which the Parent (including any subsidiary of the Parent) or the Acquisition Subsidiary is a party, or give any person the right to accelerate any indebtedness or terminate, modify or cancel any right with respect to any indebtedness; (iv) constitute (with or without the passage of time or giving of notice) a default under or breach of any other agreement, instrument or obligation to which the Parent (including any subsidiary of the Parent) or the Acquisition Subsidiary is a party or by which the Parent (including any subsidiary of the Parent) or the Acquisition Subsidiary or any of their assets are bound; (v) result in the creation of any lien or encumbrance upon any of the assets of the Parent (including any subsidiary of the Parent) or the Acquisition Subsidiary; (vi) result in a violation of any law, regulation, administrative order or judicial order, decree or judgment applicable to the Parent

(including any subsidiary of the Parent) or the Acquisition Subsidiary, or their businesses or assets; or (vii) invalidate or adversely affect any permit, license or authorization used in the Parent's (including any subsidiary of the Parent) or the Acquisition Subsidiary's business, excluding from clauses (ii) through (vii) consents, waivers, exemptions, approvals or authorizations, declarations, filings or registrations, notices, conflicts, breaches, defaults, liens or encumbrances, or violations which would not, either individually or in the aggregate, have a Parent Material Adverse Effect or materially impair or preclude the Parent's or the Acquisition Subsidiary's ability to consummate the Merger or the transactions contemplated hereby. Neither the execution, delivery and performance of the Agreement nor the performance of the transactions contemplated hereby will give rise to a right of any party (other than the Parent) to terminate, modify or cancel any contract, agreement or other instrument of the Parent or Acquisition Subsidiary except where any terminations, modifications or cancellations, either individually or in the aggregate, would not have a Parent Material Adverse Effect.

3.5 Reports and Financial Statements

(a) The Parent has previously furnished to the Company complete and accurate copies, as amended or supplemented, of its (a) Annual Report on Form 10-K for the fiscal years 1997 and 1996, as filed with the SEC, and amendments thereto, (b) proxy statements relating to all meetings of its stockholders (whether annual or special) since January 1, 1997 and (c) all other reports or registration statements, other than Registration Statements on Form S-8, filed by the Parent with the SEC since January 1, 1997 (such annual reports, proxy statements, registration statements and other filings, together with any amendments or supplements thereto, are collectively referred herein as the "Parent Reports"). The Parent Reports constitute all of the documents filed or required to be filed by the Parent with the SEC since January 1, 1997, other than any Registration Statement on Form S-8. As of their respective dates, the Parent Reports did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The consolidated audited financial statements and consolidated unaudited interim financial statements of the Parent included in the Parent Reports (together, the "Parent Financial Statements") (i) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, (ii) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby (except as may be indicated by Form 10-Q under the Exchange Act and subject to normal recurring year-end adjustments), (iii) fairly present the consolidated financial condition, results of operations and cash flows of the Parent and each of its subsidiaries as of the respective date thereof and for the periods referred to therein, and (iv) are consistent in all material respects with the books and records of the Parent.

(b) The consolidated balance sheet contained in the Parent's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 1998, including the footnotes thereto, is sometimes referred to hereinafter as the "Parent Base Balance Sheet."

3.6 Claims and Legal Proceedings. As of the date hereof, there are no claims, actions, suits, arbitrations, proceedings or investigations pending (or, to the best knowledge of Parent,

threatened) against Parent or any of its subsidiaries, and there are no outstanding court orders, court decrees, or court stipulations to which Parent or any of its subsidiaries is a party or by which any of their respective assets are bound, any of which (a) affect this Agreement or the transactions contemplated hereby, (b) would, individually or in the aggregate materially restrict the present business, properties, operations, prospects, assets, revenues or condition (financial or otherwise) of the Parent or any of its subsidiaries, or (c) would, individually or in the aggregate, have a Parent Material Adverse Effect or materially impair or preclude the Parent's or the Acquisition Subsidiary's ability to consummate the Merger or the other transactions contemplated hereby.

3.7 Present Compliance with Obligations and Laws. As of the date hereof, neither the Parent nor the Acquisition Subsidiary is: (a) in violation of its Charter or Bylaws; (b) in default in the performance of any obligation, agreement or condition of any debt instrument which (with or without the passage of time or the giving of notice) affords to any person the right to accelerate any indebtedness or terminate any right; (c) in default of or breach of (with or without the passage of time or the giving of notice) any other contract to which it is party or by which it or its assets are bound; or (d) in violation of any Court Orders or Governmental Authorizations applicable to it or its business or assets, except where any violation or default under items (b), (c) or (d) would not, individually or in the aggregate, have a Parent Material Adverse Effect. The Parent has conducted and is now conducting it business and ownership and operation of its assets in compliance with all applicable Laws, except where any noncompliance would not, individually or in the aggregate, have a Parent Material Adverse Effect.

3.8 Permits. As of the date hereof, each of the Parent and the Acquisition Subsidiary holds all licenses, permits, registrations, orders, authorizations, approvals and franchises which are required to permit it to conduct its business as presently conducted, except where the failure to hold such licenses, permits, registrations, orders, authorizations, approvals or franchises would not, individually or in the aggregate, have a Parent Material Adverse Effect.

3.9 Disclosure of Material Information. No representation or warranty by the Parent or the Acquisition Subsidiary contained in this Agreement, and no statement contained in the Parent Disclosure Schedule, any exhibit to this Agreement or certificate issued by or to be issued by the Parent and furnished or to be furnished to the Company pursuant to the Agreement contains or will contain any untrue statement of a material fact or omits, or will omit to state any material fact necessary, in light of the circumstances under which it was or will be made, in order to make the statements herein or therein not misleading.

3.10 Pooling Matters. To the Parent's knowledge, neither Parent nor any of its "affiliates" (as defined in Opinion No. 16, as amended, of the Accounting Principles Board of the American Institute of Certified Public Accountants and the interpretive rulings issued thereunder) has taken or agreed to take any action that would affect the ability of Parent to account for the business combination to be effected by the Merger as a pooling of interests under GAAP and applicable SEC interpretation.

ARTICLE IV

COVENANTS

4.1 Reasonable Best Efforts. Except as otherwise contemplated herein, each of the Parties shall use, and the Parent shall cause the Acquisition Subsidiary to use, reasonable best efforts to take all actions and to do all things necessary, proper or advisable to consummate the Merger and the transactions contemplated by this Agreement, including, but not limited to the delivery of certificates reasonably requested in connection with any opinions to be delivered hereunder.

4.2 Notices and Consents. Each of the Parties shall use, and the Parent shall cause the Acquisition Subsidiary to use, reasonable best efforts to obtain, at its reasonable expense, all such waivers, permits, consents, approvals or other authorizations from third parties and governmental entities or authorities, and to effect all such registrations, filings and notices with or to third parties and governmental entities or authorities, as may be necessary or desirable in connection with the transactions contemplated by this Agreement.

4.3 Special Consent and Registration Statement.

(a) The Company shall use all reasonable efforts to obtain any necessary approval of the Company Stockholders for the adoption of this Agreement and the approval of the Merger by written consent in compliance with the DGCL (the "Special Consent"). The Parent and Acquisition Subsidiary shall furnish all information as the Company may reasonably request in connection with the Special Consent.

(b) The Parent shall prepare and file with the SEC under the Securities Act and all other applicable regulatory bodies as soon as reasonably practicable but in any event by September 30, 1998 (provided the Company complies with its obligations under this Section 4.3), a Registration Statement on Form S-4 with respect to shares of Parent Common Stock to be issued in the Merger (the "Registration Statement"), which shall include the prospectus/written consent to be used for the purpose of offering the Merger Shares to holders of Company Shares and soliciting written consents from holders of Company Shares with respect to the transactions contemplated hereby (such prospectus/written consent, together with any accompanying letter to stockholders, and form of written consent, shall be referred to herein as the "Prospectus/Written Consent"). The Company shall furnish to the Parent all information concerning the Company as the Parent may reasonably request in connection with the preparation of the Registration Statement. The Company and its counsel shall be given an opportunity to review and comment on the Registration Statement prior to its filing with the SEC. The Parent shall notify the Company promptly of receipt from the SEC of a decision not to review the Registration Statement or of comments on the Registration Statement, and shall promptly provide the Company with copies of all correspondence relating to the Registration Statement between the Parent or its representatives, on the one hand, and the SEC or members of its staff on the other hand. The Parent, with the assistance of the Company, shall promptly respond to any SEC comments on the Registration Statement and shall otherwise use all reasonable efforts to cause the Registration Statement to be declared effective as promptly as practicable. The Parent shall

also take any and all such actions to satisfy the requirements of the Securities Act, including Rule 145 thereunder. Prior to the Closing Date, the Parent shall use its reasonable, good faith efforts to cause the shares of Parent Common Stock to be issued pursuant to the Merger to be registered or qualified under all applicable securities or Blue Sky laws of each of the states and territories of the United States, and to take any other actions which may be necessary to enable the Parent Common Stock to be issued pursuant to the Merger in each such jurisdiction.

(c) Promptly following the resolution of any SEC comments on the Registration Statement and the declaration of effectiveness of the Registration Statement, the Company shall, subject to the other provisions of this Agreement, solicit written consents from Company Stockholders in accordance with the DGCL in favor of the adoption of this Agreement and the approval of the Merger.

(d) The Company shall comply with all applicable provisions of the DGCL in the seeking the Special Consent. The information relating to the Company supplied by the Company in writing expressly for inclusion in the Registration Statement will not as of the effective date of the Registration Statement (or any amendment or supplement thereto) or at the effective date of the Special Consent, contain any untrue statement of a material fact, or omit to state any material fact required to be stated therein or necessary in order to make the statements in the light of the circumstances under which they were made, not misleading (provided that the Company shall not be responsible for the accuracy or completeness of any information in the Registration Statement other than the information relating to the Company supplied by the Company in writing expressly for inclusion therein).

(e) The Parent shall comply with all applicable provisions of and rules under the Securities Act and state securities laws in the preparation, filing and distribution of the Registration Statement and the offering and issuance of the Merger Shares. Without limiting the foregoing, the Parent shall make sure that the Registration Statement does not, as of its effective date, and as of the date of the solicitation of the Special Consent, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading (provided that the Parent shall not be responsible for the accuracy or completeness of any information relating to the Company or any other information furnished by the Company in writing for inclusion in the Registration Statement). The information supplied by the Parent to the Company to be sent to Company Stockholders in connection with the solicitation of the Special Consent will not, on the date first mailed to Company Stockholders or at the effective date of the Special Consent, contain any statement which, at such time and in light of the circumstances under which it is made, is false or misleading with respect to any material fact, or omits to state any material fact required to be stated therein or necessary in order to make the statements therein not false or misleading.

4.4 Operation of Business. Except as contemplated by this Agreement or consented to in writing by an authorized representative of the Parent, during the period from the date of this Agreement to the Effective Time, the Company shall conduct its operations in the ordinary course of business and consistent with past practice and in compliance in all material respects with applicable laws and regulations and, to the extent consistent therewith, use reasonable

efforts to preserve intact its current business organization, keep its physical assets in good working condition, keep available the services of its current officers and employees, preserve its relationships with customers, suppliers and others having business dealings with it and maintain its goodwill and ongoing business in all material respects. Without limiting the generality of the foregoing and except as otherwise contemplated herein, prior to the Effective Time, the Company shall not, without the written consent of the Parent:

(a) other than as contemplated in this Agreement or the Exhibits hereto, issue, sell, deliver or agree or commit to issue, sell or deliver (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) or authorize the issuance, sale or delivery of, or redeem or repurchase, any stock of any class or any other securities or any rights, warrants or options to acquire any such stock or other securities other than the issuance of Company Shares upon the exercise of outstanding Options, Warrants or derivative securities;

(b) split, combine or reclassify any shares of its capital stock or declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of its capital stock;

(c) except in the ordinary course of business and consistent with past practice: create, incur or assume any debt not currently outstanding (including obligations in respect of capital leases) other than loans incurred to satisfy the working capital needs of the Company pursuant to Section 4.13 hereof; assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other person; or make any loans, advances or capital contributions to, or investments in, any other person;

(d) enter into, adopt or amend any ERISA Benefit Plan or Benefit Plan or any employment or severance agreement or arrangement or increase in any manner the compensation or fringe benefits of, or materially modify the employment terms of, its directors, officers or employees, generally or individually, pay any bonuses not accrued for in any of the Financial Statements, or pay any benefit not required by the terms in effect on the date hereof of any existing ERISA Benefit Plan or Benefit Plan, in each case except as set forth in Schedule 4.4(d) hereof;

(e) acquire, sell, lease, encumber or dispose of any shares or other equity interests in or securities of any corporation, partnership, association or other business organization or division thereof or any assets, other than purchases and sales of assets in the ordinary course of business and consistent with past practice and other than the sale of assets located in the Company's Singapore offices with a total fair market value no greater than $200,000 ("Singapore Assets Sales");

(f) amend its Charter or Bylaws, except as contemplated herein;

(g) change in any respect its accounting methods, principles or practices, except insofar as may be required by a change in GAAP;

(h) discharge or satisfy any security interest, lien or other encumbrance or pay any obligation or liability other than (i) as may be required by contract or law, (ii) in the ordinary course of business and consistent with past practice or (iii) in connection with any Singapore Asset Sales;

(i) mortgage or pledge any of its property or assets or subject any such assets to any security interest, lien or other encumbrance, except in connection with Singapore Asset Sales;

(j) sell, assign, transfer or license any Company Intellectual Property Rights, other than in the ordinary course of business and consistent with past practice;

(k) enter into, amend, terminate, take or omit to take any action that would constitute a material violation of or material default under, or waive any rights under, any material contract or agreement;

(l) make or commit to make any capital expenditure in excess of $25,000 per item or $50,000 in the aggregate;

(m) agree in writing or otherwise to take any of the foregoing actions.

In addition, the Company shall not without prior oral consultation with the Parent hire any employees or retain any consultants other than nonmanagement or nonsupervisory personnel in the ordinary course of business.

4.5 Access. Until the termination of the Agreement, the Company shall permit representatives of the Parent to have reasonable access (at all reasonable times and in a manner so as not to interfere with the normal business operations of the Company) to the premises, properties, financial and accounting records, contracts, other records and documents, and personnel of or pertaining to the Company in order to conduct customary due diligence regarding the Company. Until the termination of the Agreement, representatives of the Company shall have access to the Parent's books and records (at all reasonable times and in a manner so as not to interfere with the normal business of the Parent) in order to conduct customary due diligence regarding the completeness of the Parent Reports and the Registration Statement and other information as the Company may reasonably request. Each Party (a) shall treat and hold as confidential any Confidential Information (as defined below), (b) shall not use any of the Confidential Information except in connection with this Agreement, and (c) if this Agreement is terminated for any reason whatsoever, shall return to the disclosing party all tangible embodiments (and all copies) thereof which are in its possession. For purposes of this Agreement, "Confidential Information" means any information of the disclosing Party that is furnished to another Party by the disclosing Party in connection with this Agreement; provided, however, that it shall not include any information (i) which, at the time of disclosure, is available publicly, (ii) which, after disclosure, becomes available publicly through no fault of the receiving Party, (iii) which the receiving Party knew or to which the receiving Party had access prior to disclosure, or (iv) which is required by law to be disclosed.

4.6 Notice of Breaches and Updates.

The Company shall promptly deliver to the Parent written notice of any event or development that would (a) render any statement, representation or warranty of the Company in this Agreement (including the Company Disclosure Schedule) inaccurate or incomplete in any material respect, or (b) constitute or result in a breach by the Company of, or a failure by the Company to comply with, any agreement or covenant in this Agreement applicable to such Party. The Parent or the Acquisition Subsidiary shall promptly deliver to the Company written notice of any event or development that would (i) render any statement, representation or warranty of the Parent or the Acquisition Subsidiary in this Agreement (including the Parent Disclosure Schedule) inaccurate or incomplete in any material respect, or (ii) constitute or result in a breach by the Parent or the Acquisition Subsidiary of, or a failure by the Parent or the Acquisition Subsidiary to comply with, any agreement or covenant in this Agreement applicable to such Party. The Company shall have the right to update the Company Disclosure Schedule and certificates referred to in this Agreement from time to time prior to the Effective Time to reflect changes to such Disclosure Schedule or certificates; provided however, that any such changes shall have no effect for the purposes of determining whether the conditions to the obligations of the Parent and the Acquisition Subsidiary set forth in Section 5.2(a) and 5.2(c) have been satisfied, but shall have the effect of precluding any indemnity claim pursuant to Article VI with respect to any matters based on such changes.

4.7 Exclusivity.

(a) Except as specifically permitted in this Section 4.7, the Company shall not, and the Company shall use commercially reasonable efforts to cause each of its officers, directors, employees, representatives and agents not to, directly or indirectly, (i) encourage, solicit, initiate, engage (including by way of furnishing or disclosing information) or participate in negotiations with any third person or entity (other than the Parent or its affiliates) concerning any Acquisition Transaction or (ii) negotiate or take any other action intended or designed to facilitate the efforts of any third person or entity (other than Parent or its affiliates) relating to a possible Acquisition Transaction, or enter into any agreements, arrangements or understanding requiring the Company to abandon, terminate or fail to consummate the transaction. For purposes of this Agreement, the term "Acquisition Transaction" shall mean any merger, consolidation or other business combination involving the Company, acquisition of all or any significant portion of the assets or capital stock of the Company, or inquiries or proposals concerning or which could reasonably be expected to lead to, any of the foregoing.

(b) Notwithstanding anything herein to the contrary, in the event that there is an unsolicited written proposal for an Acquisition Transaction, the Company shall advise Parent orally and in writing of all the terms and conditions of such written proposal and (unless the disclosure of the identity of such party would constitute a breach of any confidentiality agreement of the Company existing on August 28, 1998) the identity of the party making any such proposal or on whose behalf such inquiry or proposal is being made, within one day following the Company's receipt of any such proposal. Notwithstanding anything herein to the contrary, in the event that any third party requests information, the Company may furnish to and

communicate with such third party information and otherwise negotiate and enter into any agreement, arrangement or understanding with such party, only if (i) one (1) business day prior written notice shall have been given to the Parent and (ii)(A) the Company's Board of Directors shall have determined in good faith, after conducting a reasonable investigation that such third party is financially capable, without any financing contingency, of consummating an Acquisition Transaction, (B) the Company's Board of Directors shall have considered the advice of independent counsel to the Company, regarding whether any failure to take such action would be reasonably likely to constitute a breach of the fiduciary responsibilities of the Board of Directors to the Company Stockholders and (C) the Company's Board of Directors, after weighing such advice and in light of its investigation, determines in good faith that failing to take such action would constitute a breach of the Board's fiduciary responsibilities to the Company Stockholders. This Section 4.7 shall remain in effect for a period extending from the date hereof through November 30, 1998 (the "Exclusivity Period") if the Registration Statement is reviewed by the SEC. The Exclusivity Period shall be thirty (30) days from the date hereof if the Registration Statement is not reviewed by the SEC.

4.8 Listing of Merger Shares. On or before the Effective Time, the Parent shall list the Merger Shares on the Nasdaq National Market.

4.9 Key Employees. The Company shall use all reasonable efforts to retain existing employees and to cause the Company employees ("Key Employees") listed on Schedule 4.9 of the Company Disclosure Schedule, to agree to serve as employees of Parent following the Closing. The Key Employees, in consideration of their continuing employment, shall receive Parent stock options to purchase Parent Common Stock at Closing under Parent's stock option plan. In addition, the Company shall use all reasonable efforts to cause certain Company employees designated by Parent to serve as employees of Parent following the Closing.

4.10 Tax-Free Merger; Pooling. The Parent, the Acquisition Subsidiary and the Company shall each use all reasonable efforts to cause the Merger to be treated as a reorganization within the meaning of Section 368 of the Code, shall cooperate in filing tax returns required by the Code and shall not knowingly take or fail to take any action which action or failure to act would jeopardize or would otherwise be inconsistent with (i) the qualification of the Merger as a reorganization within the meaning of Section 368 of the Code or (ii) the characterization of the receipt by the Company Stockholders of the Merger Shares as stock received in exchange for stock under Section 354 of the Code. The parties shall each use all reasonable efforts to cause the Merger to constitute a "pooling of interest" transaction for accounting purposes under GAAP.

4.11 Indemnification.

(a) At all times from and after the Effective Time, the Parent and the Surviving Corporation, jointly and severally, shall indemnify, defend and hold harmless each person who is now, or has been at any time prior to the date of this Agreement or who becomes prior to the Effective Time, an officer or director of the Company or any Subsidiary (the "Indemnified Parties") in respect of acts or omissions, whether arising out of or pertaining to the transactions

contemplated by this Agreement or otherwise, occurring on or prior to the Effective Time to the fullest extent permitted under the Company's Charter, Bylaws and indemnification agreements in effect on the date hereof; provided that such indemnification shall be subject to any limitation imposed from time to time under applicable law.

(b) This section shall survive the consummation of the Merger at the Effective Time, is intended to benefit the Indemnified Parties, and shall be enforceable by the Indemnified Parties.

4.12 Current Report. Parent shall prepare and file with the SEC no later than February 15, 1999, a Current Report on Form 8-K or a Quarterly Report on Form 10-Q disclosing at least 30 days of combined financial results of the Parent and the Company.

4.13 Working Capital Loan. If the Effective Time has not occurred on or prior to September 30, 1998, and the Company requires additional working capital, the Company may pursue a working capital loan in accordance with this Section 4.13. The Company shall first request that the Parent extend an unsecured working capital loan in the principal amount of up to $2,000,000 in addition to other customary terms and conditions mutually agreeable to the Parent and the Company (the "Working Capital Loan"). The Parent, in its sole discretion, may decline to extend the Working Capital Loan. In such event, the Company will be entitled to pursue a working capital loan for up to $2,000,000 from other sources. The Company shall not be deemed to violate any representations, warranties, covenants or other obligations of the Company under this Agreement as a result of obtaining a working capital loan from other sources; provided, however, that this Section 4.13 shall have no effect for the purpose of determining whether the conditions to the obligations of the Parent and the Acquisition Subsidiary set forth in Section 5.2 have been satisfied.

ARTICLE V

CONDITIONS TO CONSUMMATION OF MERGER

5.1 Conditions to Each Party's Obligations. The respective obligations of each Party to consummate the Merger are subject to the satisfaction of or waiver by each of the Parties of the following conditions:

(a) this Agreement and the Merger shall have received the Requisite Stockholder Approval;

(b) the Registration Statement shall have become effective in accordance with the provisions of the Securities Act and applicable state securities laws, and no stop order suspending the effectiveness of the Registration Statement shall have been issued by the SEC or any state and remain in effect; and

(c) the Parent shall have filed with the Nasdaq National Market a Notification Form for Listing of Additional Shares with respect to the Merger Shares and the shares of Parent Common Stock issuable upon exercise of the Options and the Warrants.

5.2 Conditions to Obligations of the Parent and the Acquisition Subsidiary. The obligation of each of the Parent and Acquisition Subsidiary to consummate the Merger is subject to the satisfaction of or waiver by the Parent and the Acquisition Subsidiary of the following additional conditions:

(a) the representations and warranties of the Company set forth in Article II shall be true and correct when made on the date hereof and shall be true and correct in all material respects as of the Effective Time as if made as of the Effective Time except for representations and warranties made as of a specific date, which shall be true and correct as of such date;

(b) the Company shall have performed or complied in all material respects with its agreements and covenants required to be performed or complied with under this Agreement as of or prior to the Effective Time;

(c) the Company shall have delivered to the Parent and the Acquisition Subsidiary a certificate of its Chairman or President and Treasurer to the effect that each of the conditions specified in clause (a) of Section 5.1 and clauses (a) and (b) of this Section 5.2 is satisfied;

(d) the Company shall have obtained all of the waivers, permits, consents, approvals or other authorizations specified in Schedule 5.2(d) of this Agreement, and effected all registrations, filings and notices specified in Schedule 5.2(d) of this Agreement;

(e) Parent shall have received executed affiliate agreements (the "Affiliate Agreements") in substantially the form attached as Exhibit 5.2(e) from each person specified on Schedule 5.2(e) of this Agreement (the "Company Affiliates");

(f) Parent shall have been advised in writing by PricewaterhouseCoopers LLP, its independent auditors, that in its opinion the transactions contemplated herein meet the requirements for pooling-of-interests treatment under GAAP as set forth in Opinion No. 16, as amended, of the Accounting Principles Board of the American Institute of Certified Public Accountants;

(g) no writ, order, decree or injunction of a court of competent jurisdiction or governmental entity shall have been entered against the Parent, the Acquisition Subsidiary or the Company which prohibits the consummation of the Merger; provided, however, that the Parent or the Acquisition Subsidiary, as applicable, shall have contested or cooperated with the Company in contesting, the action, suit or proceeding giving rise to such writ, order, decree or injunction and shall have used reasonable efforts to have the same dismissed;

(h) from the date of this Agreement to the Effective Time, there shall not have been any event or development that results in a Company Material Adverse Effect, nor shall there

have occurred any event or development which is reasonably likely to result in a Company Material Adverse Effect;

(i) the Parent and the Acquisition Subsidiary shall have received from Testa, Hurwitz & Thibeault, LLP, or other counsel to the Company reasonably acceptable to the Parent, an opinion with respect to the matters set forth in Exhibit 5.2(i) attached hereto, addressed to the Parent and the Acquisition Subsidiary and dated as of the Closing Date;

(j) there shall have been executed and delivered to Parent an Escrow Agreement in substantially the form attached hereto as Exhibit 1.10 with such modifications thereto as may be required by the Escrow Agent and agreed to by the parties hereto pursuant to which 85,000 shares of Brooks Common Stock shall be deposited in escrow for a period of one (1) year following the Closing Date to secure payment of indemnification payable to Parent hereunder;

(k) holders of not more than 10% of the issued and outstanding Company Shares shall have exercised appraisal rights pursuant to Section 262 of the DGCL;

(l) each of the Key Employees listed on Schedule 4.9 shall have executed a noncompetition and proprietary information agreement substantially in the form of Exhibit 5.2(l);

(m) the Company shall have delivered to the Parent an unaudited balance sheet as of August 31, 1998 and an unaudited statement of income for the 8 months ended August 31, 1998;

(n) all agreements among the Company and any of its securityholders, or among any of the Company securityholders, providing for registration rights, rights of first refusal, rights of co-sale, relating to the voting of the Company securities or requiring the Company to obtain the consent or approval of any such securityholders prior to taking or failing to take any action, shall have been terminated in their entirety.

5.3 Conditions to Obligations of the Company. The obligation of the Company to consummate the Merger is subject to the satisfaction of or waiver by the Company of the following additional conditions:

(a) the representations and warranties of the Parent and the Acquisition Subsidiary set forth in Article III shall be true and correct when made on the date hereof and shall be true and correct in all material respects as of the Effective Time as if made as of the Effective Time, except for representations and warranties made as of a specific date, which shall be true and correct as of such date;

(b) each of the Parent and the Acquisition Subsidiary shall have performed or complied in all material respects with its agreements and covenants required to be performed or complied with under this Agreement as of or prior to the Effective Time;

(c) each of the Parent and the Acquisition Subsidiary shall have delivered to the Company a certificate of its President and Chief Financial Officer to the effect that each of the

conditions specified in clauses (b) and (c) of Section 5.1 and clauses (a), (b) and (d) of this Section 5.3 is satisfied in all respects;

(d) the Parent and the Acquisition Subsidiary shall have obtained all waivers, permits, consents, approvals or other authorizations necessary to be obtained by them to consummate the Merger and effected all registrations, filings and notices, necessary to be effected by them to consummate the Merger;

(e) no writ, order, decree or injunction of a court of competent jurisdiction or governmental entity shall have been entered against the Parent, the Acquisition Subsidiary or the Company which prohibits the consummation of the Merger; provided, however, that the Company shall have contested or cooperated with Parent or the Acquisition Subsidiary, as applicable, in contesting, the action suit or proceeding giving rise to such writ, order, decree or injunction and shall have used reasonable efforts to have the same dismissed; and

(f) the Company shall have received from Brown, Rudnick Freed & Gesmer, counsel to the Parent and the Acquisition Subsidiary, an opinion with respect to the matters set forth in Exhibit 5.3(f) attached hereto, addressed to the Company and dated as of the Closing Date.

ARTICLE VI

SURVIVAL; INDEMNIFICATION

6.1 Survival. The covenants, agreements, representations and warranties of the Company contained in this Agreement shall survive the Closing until the one (1) year anniversary of the Closing Date, after which time claims for indemnity pursuant to this Article VI may no longer be made. Notwithstanding the preceding sentence, any claim for indemnification regarding any covenant, agreement, representation or warranty sought under Section 6.2 shall survive the time at which such covenant, agreement, representation or warranty shall terminate pursuant to the preceding sentence, if notice of such claim for indemnification shall have been given to the party against whom such indemnity is sought prior to such time. The covenants, agreements, representations and warranties of the Company and the rights and remedies that may be exercised by any Indemnitee (as defined below) shall not be limited, diminished or otherwise affected by or as a result of any information that may have been provided, any investigation or examination that may have or be made by, or any knowledge of, any Indemnitee or any other party on behalf of any Indemnitee, except as otherwise contemplated herein.

6.2 Indemnification. The Company Stockholders severally and not jointly agree that the Escrow Shares shall be available to the extent provided in this Article VI and in the Escrow Agreement to compensate each of Parent and, effective at and as of the Effective Time, without duplication, the Company and each of their respective subsidiaries and affiliates (each in its capacity as an indemnified party, an "Indemnitee") for any and all losses, liabilities, damages, judgments, rulings, assessments and any and all amounts paid in settlement of or related to any claim or litigation or amounts mutually agreed to by Parent and the Stockholder Representatives (collectively, "Actual Damages"), and any and all costs and expenses, interest, penalties, reasonable attorneys' fees and any and all other expenses incurred in investigating, preparing,

and defending against any litigation, commenced or threatened, and any claim whatsoever (collectively "Litigation Damages," together with "Actual Damages," "Damages") (Damages in each case shall be net of the amount of any insurance proceeds, indemnity or contribution actually recovered by such Indemnitee), incurred by such Indemnitee as a result of, arising out of or incident to any of the following with respect to which a claim for indemnification is brought by an Indemnitee within the applicable survival period described in Section 6.1: (i) any breach of any representation or warranty of the Company set forth herein, or in any certificate or other document delivered in connection herewith or therewith, or (ii) any breach by the Company of any covenant, agreement, or obligation contained herein, or in any certificate or other document delivered in connection herewith in each case, except to the extent waived by Parent.

6.3 Third Person Claims. Promptly after an Indemnitee has received notice of or has knowledge of any claim by a person not a party to this Agreement ("Third Person") or the commencement of any action or proceeding by a Third Person, the Indemnitee shall, as a condition precedent to the claim with respect thereto being made against the Escrow Shares, give the Stockholder Representatives written notice of such claim or the commencement of such action or proceeding; provided, however that the failure to give such notice will not affect the Indemnitees' right to indemnification hereunder with respect to such claim, action or proceeding, except to the extent that the Stockholder Representatives or the Company Stockholders have been actually prejudiced as a result of such failure. If the Stockholder Representatives notify the Indemnitee within 30 days from the receipt of the foregoing notice that they wish to defend against the claim by the Third Person and if the estimated amount of the claim, together with all other claims made against the Escrow Shares that have not been settled, is less than the remaining balance of the Escrow Shares, then the Stockholder Representatives shall have the right to assume and control the defense of the claim by appropriate proceedings with counsel reasonably acceptable to Indemnitee, and the Stockholder Representatives shall be entitled to reimbursement out of the Escrow Shares for such defense. The Indemnitee may participate in the defense, at its sole expense, of any such claim for which the Stockholder Representatives shall have assumed the defense pursuant to the preceding sentence, provided that counsel for the Stockholder Representatives shall act as lead counsel in all matters pertaining to the defense or settlement of such claims, suit or proceedings; provided, however, that Indemnitee shall control the defense of any claim or proceeding that in Indemnitee's reasonable judgment could have a material and adverse effect on Indemnitee's business apart from the payment of money damages. The Indemnitee shall be entitled to indemnification under Section 6.2 (subject to the limitations set forth in Section 6.4) for the reasonable fees and expenses of its counsel for any periods during which the Stockholder Representatives have not assumed the defense of any claim. Whether or not the Stockholder Representatives shall have assumed the defense of any claim, neither the Indemnitee nor the Stockholder Representatives shall make any settlement with respect to any such claim, suit or proceeding without the prior consent of the other, which consent shall not be unreasonably withheld or delayed. It is understood and agreed that in situations where failure to settle a claim expeditiously could have an adverse effect on the party wishing to settle, the failure of the party controlling the defense to act upon a request for consent to such settlement within five (5) business days of receipt of notice thereof shall be deemed to constitute consent to such settlement for purposes of this Article VI.

6.4 Method of Payment. Parent or the Surviving Corporation shall only be entitled to satisfy claims for indemnification pursuant to this Article VI from the Escrow Shares. To the extent that Parent or the Surviving Corporation is entitled to indemnification hereunder, the Escrow Shares shall be valued as provided in the Escrow Agreement.

6.5 Limitations. Notwithstanding any other provision in this Article VI, Indemnitees shall be entitled to indemnification only to the extent that the aggregate Damages exceed $50,000 (the "Threshold Amount"), provided that at such time as the amount as to which the Indemnities are entitled to be indemnified exceeds the Threshold Amount, the Indemnities shall be entitled to be indemnified up to the full amount of Damages including the Threshold Amount.

6.6 Maximum Liability and Remedies. The rights of Parent to make claims upon the Escrow Shares in accordance with this Article VI shall be the sole and exclusive remedy of the Indemnitees after the Effective Time for any damage, claim, cause of action or right of any nature arising out of or relating to this Agreement, the certificates or other documents executed or delivered herewith or the transactions contemplated hereby (except as expressly provided in the Escrow Agreement) and no Company Stockholder, and no person who is or was an optionholder, warrantholder, director, officer, employee or agent of the Company prior to the Effective Time shall have any personal liability to any Indemnitee after the Closing Date in connection with the Merger.

ARTICLE VII

TERMINATION OF AGREEMENT

7.1 Termination. In connection with the structure of the transactions as described in this Agreement, the parties have agreed that this Agreement shall not be terminated, nor the Merger abandoned, except in accordance with the provisions of this Article VII, all strictly construed against the Party seeking such termination. This Agreement may be terminated and the Merger may be abandoned any time prior to the Effective Time, whether before or after approval by the Company Stockholders:

(a) by mutual written consent of the Parties;

(b) by either the Parent of the Company, if, without fault of such terminating party, the Merger shall not have been consummated on or before either (i) October 21, 1998 if the Registration Statement is not reviewed by the SEC or (ii) November 30, 1998 if the Registration Statement is reviewed by the SEC; or

(c) by either Parent or the Company if the Board of Directors of the Company shall have approved, recommended or resolved to recommend to its stockholders an Acquisition Transaction other than the Merger after determining, in compliance with the procedures outlined in Section 4.7(b) hereof, that the failure to approve, recommend or resolve to recommend such transaction would result in a breach by such Board of Directors of its fiduciary duties to the Company Stockholders.

7.2 Termination by the Parent. This Agreement may be terminated and the Merger may be abandoned by action of the Board of Directors of the Parent, at any time prior to the Effective Time, before or after the approval by the Company Stockholders, if:

(a) the Company shall have failed to comply with any of the covenants or agreements contained in this Agreement such that the Closing condition set forth in Section 5.2(b) would not be satisfied; provided, however, that if such failure or failures are capable of being cured prior to the Effective Time, such failure or failures shall not have been cured within 15 days of delivery to the Company of written notice of such failure;

(b) there exists a breach or breaches of any representation or warranty of the Company contained in this Agreement such that the Closing condition set forth in Section 5.2(a) would not be satisfied; provided, however, that if such breach or breaches are capable of being cured prior to the Effective Time, such breach or breaches shall not have been cured within 15 days of delivery to the Company of written notice of such breach; or

(c) on or prior to September 30, 1998, the Company shall furnish or disclose information to a third party with respect to any Acquisition Transaction, or shall have resolved to do the foregoing and publicly disclosed such resolution.

7.3 Termination by the Company. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, before or after the approval by the Company Stockholders, by action of the Board of Directors of the Company, if:

(a) the Parent or the Acquisition Subsidiary shall have failed to comply with any of the covenants or agreements contained in this Agreement such that the closing condition set forth in Section 5.3(b) would not be satisfied provided, however, that if such failure or failures are capable of being cured prior to the Effective Time, such failure or failures shall not have been cured within 15 days of delivery to the Parent of written notice of such failure; or

(b) there exists a breach or breaches of any representation or warranty of the Parent or the Acquisition Subsidiary contained in this Agreement such that the Closing condition set forth in Section 5.3(a) would not be satisfied; provided, however, that if such breach or breaches are capable of being cured prior to the Effective Time, such breach or breaches shall not have been cured within 15 days of delivery to the Parent of written notice of such breach.

7.4 Procedure for Termination. In the event of termination and abandonment of the Merger by the Parent or the Company pursuant to this Article VII, written notice thereof shall forthwith be given to the other.

7.5 Effect of Termination.

(a) In the event of termination of this Agreement in accordance with the provisions of this Article VII, this Agreement shall forthwith become void and no party to this Agreement shall have any liability or further obligation to any other party, except as provided in this Section 7.5 and in Sections 4.5 and 8.3 of this Agreement, which provisions shall survive such

termination, and except that nothing herein shall relieve any party from liability for any breach of this Agreement. Notwithstanding anything to the contrary in this Agreement, the termination of this Agreement pursuant to Section 7.1(c) or 7.2(c) hereof shall not be deemed to violate any obligations of the Company under this Agreement.

(b) In the event of a termination of this Agreement pursuant to Sections 7.1(c) or 7.2(c), the Company shall, within five (5) business days thereafter, pay the Parent by wire transfer of immediately available funds to an account specified by the Parent up to $150,000 for all documented out of pocket reasonable fees and expenses incurred by the Parent (including the reasonable fees and expenses of counsel, accountants, consultants and advisors) in connection with this Agreement and the transactions contemplated hereby (subject to such $150,000 limit, "Parent Documented Expenses").

(c) In the event of a termination of this Agreement pursuant to Section 7.1(c), the Company shall, within five (5) business days thereafter, pay the Parent by wire transfer of immediately available funds to an account specified by the Parent a fee of $300,000 (the "Termination Fee"), less any Parent Documented Expenses paid to Parent.

7.6 Right to Proceed. Anything in this Agreement to the contrary notwithstanding, if any of the conditions specified in Section 5.2 hereof have not been satisfied, Parent shall have the right to waive the satisfaction of any such condition as provided in Section 5.2 and to proceed with the transactions contemplated hereby, however, it shall be deemed to have waived any claim for indemnification arising out of any condition which has been so waived, and if any of the conditions specified in Section 5.3 hereof has not been satisfied, the Stockholder Representatives shall have the right to waive the satisfaction of any such condition as provided in Section 5.3 and to proceed with the transactions contemplated hereby.

ARTICLE VIII

MISCELLANEOUS

8.1 Fees and Broker's Commission. The Company, the Company Stockholders and Parent will each pay their respective legal, accounting, financial adviser and finders fees and other costs of closing; provided, however, that any legal, accounting, finders and financial adviser fees and expenses of the Company incurred in connection with the transactions contemplated hereby which aggregate in excess of $150,000 (or $175,000 if the Registration Statement is reviewed by the SEC and the Effective Time occurs after September 30, 1998) shall be paid by the Company Stockholders out of Escrow Shares.

8.2 Notices. Any notice or other communication in connection with this Agreement shall be deemed to be delivered if in writing (or in the form of a facsimile transmission, receipt telephonically confirmed) addressed as provided below and if either (a) actually delivered electronically or physically at said address, or (b) in the case of a letter, three (3) business days shall have elapsed after the same shall have been sent by nationally recognized overnight courier:

If to the Company to:

FASTech Integration
Lincoln North
55 Old Bedford Road
Lincoln, MA 01773
Attention: James A. Pelusi, President
Tel: 781 259 3131
Fax: 781 259 3188

with a copy to:

Testa, Hurwitz & Thibeault, LLP
125 High Street
High Street Tower
Boston, MA 02110-2711
Attention: Michael A. Conza, Esquire
Tel: (617) 248-7000
Fax: (617) 248-7100

If to the Parent or the Acquisition Subsidiary, to:

Brooks Automation, Inc.
15 Elizabeth Drive
Chelmsford, MA 01824
Attention: Robert J. Therrien
Tel: (978) 262-2610
Fax: (978)262-2502

with a copy to:

Brown, Rudnick, Freed & Gesmer, P.C.
One Financial Center
Boston, MA 02111
Attention: Lawrence M. Levy, Esquire
Tel: (617) 856-8200
Fax: (617) 856-8201

and in any case at such other address as the addressee shall have specified by written notice. All periods of notice shall be measured from the date of deemed delivery thereof as set forth in this Section 8.2.

8.3 Publicity and Disclosure. Neither Parent nor Company shall issue any press releases or make any other written public disclosure of the transactions contemplated by this

Agreement without the prior knowledge and written consent of the other party (which may be evidenced by the initials of an authorized officer of the consenting Party on the document to be disclosed) which consent shall not be unreasonably withheld or delayed.

8.4 Entire Agreement. This Agreement (including all exhibits or schedules appended to this Agreement) constitutes the entire agreement between the Parties, and all promises, representations, understandings, warranties and agreements with reference to the subject matter hereof and inducements to the making of this Agreement relied upon by any Party hereto, have been expressed herein or therein or in the documents incorporated herein or therein by reference.

8.5 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof.

8.6 Assignability. This Agreement may not be assigned otherwise than by operation of law (a) by the Parent or the Acquisition Subsidiary without the prior written consent of the Company or (b) by the Company without the prior written consent of the Parent. However, any or all rights of the Parent to receive performance (but not the obligations of the Parent to Company hereunder) of the Company hereunder, may be assigned by the Parent to any direct or indirect subsidiary, parent or other affiliate of the Parent. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns.

8.7 Amendments and Waivers. The Parties may mutually amend any provision of this Agreement at any time prior to the Effective Time with the prior authorization of their respective Boards of Directors; provided, however, that any amendment effected subsequent to the Requisite Stockholder Approval shall be subject to the restrictions contained in the DGCL. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by all of the Parties. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

8.8 Governing Law; Venue.

(a) This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts (other than the choice of law principles thereof), except that any representations and warranties with respect to real and tangible property shall be governed by and construed in accordance with the laws of the jurisdiction where such property is situated if other than in the Commonwealth of Massachusetts.

(b) Any claim, action, suit or other proceeding initiated by any Party, under or in connection with this Agreement may be asserted, brought, prosecuted and maintained in any Federal or state court in the Commonwealth of Massachusetts, as the Party bringing such action, suit or proceeding shall elect, having jurisdiction over the subject matter thereof, and the Parties hereby waive any and all rights to object to the laying of venue in any such court and to any right

to claim that any such court may be an inconvenient forum. Each of the Parties hereby submit themselves to the jurisdiction of each such court and agree that service of process on them in any such action, suit or proceeding may be effected by the means by which notices are to be given to it under this Agreement.

8.9 Remedies. The Parties hereto acknowledge that the remedy at law for any breach of the obligations undertaken by the Parties hereto is and will be insufficient and inadequate and that the Parties hereto shall be entitled to equitable relief, in addition to remedies at law. In the event of any action to enforce the provisions of this Agreement, each of the Parties shall waive the defense that there is an adequate remedy at law. Without limiting any remedies the Parties may otherwise have hereunder or under applicable law, in the event any Party refuses to perform its obligations under this Agreement, the other Parties shall have, in addition to any other rights at law or equity, the right to specific performance.

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

8.11 Effect of Table of Contents and Headings. Any table of contents, title of an article or section heading herein contained is for convenience of reference only and shall not affect the meaning of construction of any of the provisions hereof.

8.12 No Third Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns; provided, however, that the provisions in Article I concerning issuance of the Merger Consideration are intended for the benefit of the Company Stockholders, Section 1.8 is intended to benefit the Company's Option holders and Warrant holders, Section 4.9 is intended to benefit the Key Employees, Section 4.11 is intended for the benefit of the persons specified therein and Section 4.12 is intended for the benefit of the persons set forth on Schedule 5.2(e); and provided further that the provisions specified in the preceding proviso shall be enforceable by the persons specified in such proviso.

8.13 Knowledge. "To the knowledge," "to the best knowledge, information and belief," or any similar phrase shall be deemed to refer to the actual knowledge of the directors and executive officers of a party and to include the assurance that such knowledge is based upon a reasonable investigation by such persons, unless otherwise expressly provided.

8.14 Integration of Exhibits. All Exhibits and Schedules attached to this Agreement are integral parts of this Agreement as if fully set forth herein, and all statements appearing therein shall be deemed disclosed for all purposes and not only in connection with the specific representation in which they are explicitly referenced.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as an instrument under seal in multiple counterparts as of the date set forth above by their duly authorized representatives.

BROOKS AUTOMATION, INC.

BY: _____
Robert J. Therrien
President and CEO

FASTech ACQUISITION CORPORATION

BY: _____
Robert J. Therrien
President and CEO

FASTech INTEGRATION, INC.

BY: _____
Name: James A. Pelusi
Title: President

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President and CEO

FASTech INTEGRATION, INC.

BY: _____
Name: James A. Pelusi
Title: President

#741469 v6 - WILLIASP - fw4d06!.DOC - 14663/1

Client: 3722 FASTech Integration, Inc.

Trademark Name	Attorneys	Case Number	Status	Application Number /Filing Date	Registration Number/Date	Renewal Date	First Use
CELLGUIDE	DJB DJP	FAS-601	Registered	73/775,222	17-Oct-1989	17-Oct-2009	
Country: United States of America	Owner: FASTech Integration, Inc.			17-Jan-1989	1,560,633		
CELLMAN	DJB	FAS-602	Registered	73/775,246	03-Oct-1989	03-Oct-2009	
Country: United States of America	Owner: FASTech Integration, Inc.			17-Jan-1989	1,558,876		
CELLWORKS	DJP	FAS-603	Published	212,233			
Country: European Community	Owner: FASTECH INTEGRATION, INC.			01-Apr-1996			
Classes: 9	Agent: FIELD Field Fisher & Waterhouse						
CELLWORKS	DJP	FAS-603	Registered	107,572/1994	06-Jun-1997	06-Jun-2007	
Country: Japan	Owner: FASTech Integration, Inc.			24-Oct-1994	4,007,603		
Classes: 9/COMPUTERS (ELECTRONIC C	Agent: YUASA YUASA & HARA						
CELLWORKS	DJP	FAS-603	Registered	94-40,290	24-Apr-1996	24-Apr-2006	
Country: Korea (South)	Owner: FASTECH INTEGRATION, INC.			08-Oct-1994	338,023		
Classes: 39	Agent: KIM KIM & CHANG						
CELLWORKS	DJP	FAS-603	Registered	8640/94	05-Oct-1994	05-Oct-2004	
Country: Singapore	Owner: FASTECH INTEGRATION			05-Oct-1994	8640/94		
Classes: 9/	Agent: GOH Henry Goh & Co.						
CELLWORKS	DJP	FAS-603	Pending	86,064,062			
Country: Taiwan	Owner: FASTech Integration, Inc.			19-Dec-1997			
Classes: 9	Agent: RUSSI RUSSIN & VECCHI/Int'l Counsel						

Trademark Name	Attorneys	Case Number	Status	Application Number /Filing Date	Registration Number/Date	Renewal Date	First Use
CELLWORKS Country: United Kingdom Classes: 9/	DJP Owner: FASTech Integration, Inc. Agent: Field Field Fisher & Waterhouse	FAS-603	Registered	1,587,167 06-Oct-1994	06-Oct-1994 1,587,167	06-Oct-2001	
CELLWORKS Country: United States of America	DJB Owner: FASTech Integration, Inc.	FAS-603	Registered	73/773,880 06-Jan-1988	13-Aug-1991 1,653,479	13-Aug-2001	
FACTORYWORKS Country: European Community Classes: 9	DJP Owner: FASTECH INTEGRATION, INC. Agent: FIELD Field Fisher & Waterhouse	FAS-605	Opposed	212,209 01-Apr-1996			
FACTORYWORKS Country: Japan Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: YUASA YUASA & HARA	FAS-605	Registered	107,571/1994 24-Oct-1994	04-Apr-1997 3275306	04-Apr-2007	
FACTORYWORKS Country: Singapore Classes: 9	DJP Owner: FASTECH INTEGRATION, INC. Agent: GOH Henry Goh & Co.	FAS-605	Registered	8639/94 05-Oct-1994	05-Oct-1994 8639/94	05-Oct-2004	
FACTORYWORKS Country: Taiwan Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: RUSSI RUSSIN & VECCHI/Int'l Counsel	FAS-605	Pending	86,064,063 19-Dec-1997			
FACTORYWORKS Country: United Kingdom Classes: 9	DJP Owner: FASTECH INTEGRATION, INC. Agent: FIELD Field Fisher & Waterhouse	FAS-605	Registered	1,587,148 06-Oct-1994	06-Oct-1994 1,587,148	06-Oct-2001	
FACTORYWORKS Country: United States of America Classes: 9/	DJB Owner: FASTech Integration, Inc.	FAS-605	Registered	74/341,240 18-Dec-1992	14-Nov-1995 1,935,764	14-Nov-2005	

Trademark Name	Attorneys	Case Number	Status	Application Number /Filing Date	Registration Number/Date	Renewal Date	First Use
FASTECH Country: European Community Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: FIELD Field Fisher & Waterhouse	FAS-610	Published	385,567 01-Nov-1996			
FASTECH Country: Japan Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: YUASA YUASA & HARA	FAS-610	Pending	129,762/1996 18-Nov-1996			
FASTECH Country: Taiwan Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: RUSSI RUSSIN & VECCHI/Int'l Counsel	FAS-610	Pending	86,064,065 19-Dec-1997			
FASTECH Country: United States of America Classes: 9	DJP Owner: FASTech Integration, Inc.	FAS-610	Registered	75/097,297 01-May-1996	21-Apr-1998 2,152,926	21-Apr-2008	
FASTECH INTEGRATION Country: European Community Classes: 9	DJP Owner: FASTECH INTEGRATION, INC. Agent: FIELD Field Fisher & Waterhouse	FAS-608	Published	212,167 01-Apr-1996			
FASTECH INTEGRATION Country: Japan Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: YUASA YUASA & HARA	FAS-608	Registered	107,570/1994 24-Oct-1994	25-Apr-1997 3,288,828	25-Apr-2007	
FASTECH INTEGRATION Country: Singapore Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: GOH Henry Goh & Co.	FAS-608	Pending	8641/94 05-Oct-1994			
FASTECH INTEGRATION Country: United Kingdom Classes: 9/	DJP Owner: FASTech Integration, Inc. Agent: Field Field Fisher & Waterhouse	FAS-608	Registered	1,587,105 06-Oct-1994	06-Oct-1994 B1,587,105	06-Oct-2001	

Trademark List

Trademark Name	Attorneys	Case Number	Status	Application Number /Filing Date	Registration Number/Date	Renewal Date	First Use
FASTECH INTEGRATION Country: United States of America Classes: 9	DJP Owner: FASTech Integration, Inc.	FAS-608	Registered	74/608,925 09-Dec-1994	16-Apr-1996 1,968,024	16-Apr-2006	
FASTECH INTEGRATION, INC. (DES Country: United States of America Classes: 9/INTEGRATED COMPUTER PRO	DJP Owner: FASTECH INTEGRATION, INC.	FAS-609	Registered	74/608,924 09-Dec-1994	14-Nov-1995 1,935,574	14-Nov-2005	
STATIONWORKS Country: European Community Classes: 9	DJP Owner: FASTECH INTEGRATION Agent: FIELD Field Fisher & Waterhouse	FAS-606	Pending	704,684 16-Dec-1997			
STATIONWORKS Country: Japan	DJP Owner: FASTECH INTEGRATION Agent: YAMAM SHUSAKU YAMAMOTO	FAS-606	Pending	9-187,241 17-Dec-1997			
STATIONWORKS Country: Singapore Classes: 9	DJP Owner: FASTECH INTEGRATION Agent: CHEON ELLA CHEONG & G. MIRANDAH	FAS-606	Pending	15684/97 26-Dec-1997			
STATIONWORKS Country: Taiwan Classes: 9	DJP Owner: FASTECH INTEGRATION Agent: RUSSI RUSSIN & VECCHI/Int'l Counsel	FAS-606	Pending	86,064,064 19-Dec-1997			
STATIONWORKS Country: United States of America Classes: 9/	DJB Owner: FASTech Integration, Inc.	FAS-606	Registered	74/341,239 18-Dec-1992	06-Sep-1994 1,852,958	06-Sep-2004	

Thursday, September 03, 1998

Trademark List

Trademark Name	Attorneys	Case Number	Status	Application Number /Filing Date	Registration Number/Date	Renewal Date	First Use
TOM Country: European Community Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: FIELD Field Fisher & Waterhouse	FAS-612	Pending	664,557 28-Oct-1997			
TOM Country: Japan	DJP Owner: FASTECH INTEGRATION Agent: YAMAM SHUSAKU YAMAMOTO	FAS-612	Pending	9-187,242 17-Dec-1997			
TOM Country: Korea (South) Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: KIM KIM & CHANG	FAS-612	Published	97-50,956 31-Oct-1997			
TOM Country: Singapore Classes: 9	DJP Owner: FASTech Integration, Inc.	FAS-612	Pending	13349/97 29-Oct-1997			
TOM Country: Taiwan Classes: 9	DJP Owner: FASTech Integration, Inc. Agent: TAI ETai E Int'l Patent & Law Offic	FAS-612	Pending	86,055,492 29-Oct-1997			
TOM Country: United States of America Classes: 9	DJP Owner: FASTech Integration, Inc.	FAS 612	To Abandon	75/284,640 01-May-1997			