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

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

1. Name of conveying party(ies):

Power Technology Incorporated and PTI Manufacturing Corp.

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

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

3. Nature of conveyance:

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

Execution Date: 02/14/2003

2. Name and address of receiving party(ies)

Name: DRS Technologies, Inc.

Internal Address:

Street Address: 5 Sylvan Way

City: Parsippany State: NJ Zip: 07054

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

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 2,411,281

Additional number(s) attached Yes No

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

Name: William J. Heller, Esq.

Internal Address: Four Gateway Center

Street Address: 100 Mulberry Street

City: Newark State: NJ Zip: 07102

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:

502639

DO NOT USE THIS SPACE

9. Signature.

William J. Heller Name of Person Signing

Signature

12/22/03 Date

Total number of pages including cover sheet, attachments, and document: 6

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

CH \$40.00 502639 2411281

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**ACQUISITION**  
**OF**  
**POWER TECHNOLOGY INCORPORATED**  
**AND**  
**PTI MANUFACTURING CORP.**  
**BY**  
**DRS TECHNOLOGIES, INC.**  
**FEBRUARY 14, 2003**  
**VOLUME I**

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## STOCK PURCHASE AGREEMENT

Stock Purchase Agreement, dated as of February 14, 2003, by and among DRS Technologies, Inc., a Delaware corporation ("Purchaser"), Power Technology Holding Trust, a Massachusetts business trust (the "Trust"), acting by and through its trustees and shareholders, whose names are set forth on Exhibit A hereto (the "Shareholders"), Power Technology Incorporated, a Massachusetts corporation ("PTI"), PTI Manufacturing Corp., a Massachusetts corporation ("PTIM") (PTI and PTIM are together referred to herein as the "Companies"), and the Shareholders.

WHEREAS, the Trust owns all of the issued and outstanding shares of PTI and PTIM, and the Trust and each of the Shareholders have approved, and deems it advisable and in the best interests of the Trust and each such Shareholder to consummate, the acquisition of the Companies by Purchaser,

WHEREAS, each of the Boards of Directors of Purchaser and the Companies has approved, and deems it advisable and in the best interests of its respective shareholders to consummate, the acquisition of the Companies by Purchaser, which acquisition is to be effected by the purchase of all the outstanding capital stock of PTI by DRS Power & Control Technologies, Inc., a Delaware corporation and a wholly-owned subsidiary of Purchaser ("DRS Power & Control"), upon the terms and subject to the conditions set forth herein;

WHEREAS, the Trust shall cause PTIM to merge with and into PTI pursuant to Section 82 of the Massachusetts Business Corporation Law, with PTI continuing as the surviving corporation (the "Merger"); and

WHEREAS, as a condition and inducement to Purchaser's willingness to enter into this Agreement, each of the Shareholders will enter into Employment Agreements with DRS Power & Control at the Closing pursuant to which, among other things, each Shareholder will be employed by DRS Power & Control and PTI and have agreed not to compete with Purchaser, DRS Power & Control and PTI according to the terms of this Agreement and the Employment Agreements.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants and agreements set forth herein, intending to be legally bound hereby, the parties hereto agree as follows:

### ARTICLE I

#### PURCHASE AND SALE OF SHARES

Section 1.1 Sale and Transfer of the PTI Shares. Subject to the terms and conditions of this Agreement, at the Closing the Trust shall sell, convey, assign, transfer and deliver to DRS Power & Control all of the issued and outstanding shares of common stock, par value \$0.01 per share, of PTI (the "PTI Shares"), free and clear of all Encumbrances, except for any Encumbrance arising under the Securities Act or any applicable state securities laws.

Companies and the Company Subsidiaries prior to the Balance Sheet Date in excess of the amounts that are accrued with respect thereto and are reflected in the Financial Statements, and since the date of the Financial Statements, none of the Trust, the Companies or any Company Subsidiary have incurred any liability for Taxes, except with respect to operations in the ordinary course of business after the Balance Sheet Date. All Taxes owed and due by the Trust, the Companies and each Company Subsidiary relating to operations on or prior to the Balance Sheet Date (whether or not shown on any Tax Return) have been paid on a timely basis.

(j) Neither the Trust, the Companies nor any Company Subsidiary have received written notice of any claim made by an authority in a jurisdiction where neither the Trust, the Companies nor any Company Subsidiary file Tax Returns, that the Trust, the Companies or any Company Subsidiary are or may be subject to taxation by that jurisdiction.

(k) No Shareholder is a "foreign person" within the meaning of Section 1445 of the Code and the Treasury Regulations promulgated thereunder.

(l) The Trust is currently, and has been since the date of its (and any predecessor's) formation, a subchapter "S" corporation under Section 1361 of the Code for U.S. federal and state (other than Massachusetts) income Tax purposes.

(m) Each of the Companies is currently, and has been since the date of its (and any predecessor's) formation, a qualified subchapter "S" subsidiary within the meaning of Section 1361 of the Code for U.S. federal and state income Tax purposes.

(n) The Trust is currently, and has been since the date of its formation, taxed as a business trust for Massachusetts state income and franchise tax purposes.

#### Section 3.25 Intellectual Property.

(a) Section 3.25(a) of the Disclosure Letter sets forth, for all of the following included in Company Intellectual Property, a complete list of all United States, foreign, international and state: (i) Patents and Patent applications; (ii) Trademark registrations, applications and material unregistered Trademarks; (iii) Domain Names; and (iv) Copyright registrations, applications and material unregistered Copyrights. Section 3.25(a) of the Disclosure Letter also sets forth a complete list of all IP Agreements. The listing of IP Agreements shall include a brief description of the rights covered by each agreement.

(b) There is no pending or, to the Knowledge of the Shareholders, threatened Claim against the Companies or any Company Subsidiary involving (i) Company Intellectual Property, or, (ii) to the Knowledge of the Shareholders, the Intellectual Property owned by any Person, (x) alleging Infringement of Intellectual Property rights of any Person, (y) alleging that such Intellectual Property is defamatory, obscene or otherwise in violation of applicable law or (z) challenging the Companies' or any Company Subsidiary's ownership or use of, or the validity, enforceability or registrability of any such Intellectual Property, and to the Knowledge of the Shareholders there is no reasonable basis for a Claim regarding any of the foregoing.

(c) Neither Companies nor any Company Subsidiary have brought or threatened a Claim against any Person (i) alleging Infringement of Intellectual Property rights owned or used or held for use by the Companies or any Company Subsidiary or (ii) challenging any Person's ownership or use of, or the validity, enforceability or registrability of any Intellectual Property, and to the Knowledge of the Shareholders there is no reasonable basis for a Claim regarding any of the foregoing.

(d) The Companies or a Company Subsidiary (i) owns or has the valid and enforceable right to use as such use may be restricted by the grant of right of use all Intellectual Property owned or used or held for use by the Companies or any Company Subsidiary, free and clear of all Encumbrances and (ii) is listed in the records of the appropriate United States, state, or foreign registry as the sole current owner of record for each application and registration listed on Section 3.25(a) of the Disclosure Letter.

(e) The Company Intellectual Property and, to the Knowledge of the Shareholders, any Intellectual Property used or held for use by the Companies or any Company Subsidiary, (i) has been duly maintained, (ii) is subsisting, in full force and effect, (iii) has not been cancelled, expired or abandoned, and (iv) is valid and enforceable.

(f) There exists no event or condition which will result in a violation or breach of, or constitute (with or without due notice of lapse of time or both) a default by the Companies or a Company Subsidiary or, to the Knowledge of the Shareholders, the other Person thereto, under any IP Agreement.

(g) The Companies and each Company Subsidiary take reasonable measures to protect the confidentiality of their Trade Secrets, including requiring their employees and Persons having access thereto to execute written non-disclosure agreements. No Trade Secret of the Companies or any Company Subsidiary has been disclosed or authorized to be disclosed to any third Person other than pursuant to a written non-disclosure agreement that adequately protects the Companies' and the applicable Company Subsidiary's proprietary interests in and to such Trade Secrets. To the Knowledge of the Shareholders, no third Person to any non-disclosure agreement with the Companies or any Company Subsidiary is in breach or default thereof.

(h) No Shareholder or former shareholder, partner, director, officer or employee of the Companies or any Company Subsidiary (or any of their respective predecessors in interest) has or will have, after giving effect to the transactions contemplated by this Agreement, any legal or equitable right, title, or interest in or to, or any right to use, directly or indirectly, in whole or in part, any Company Intellectual Property.

(i) The Software used by the Companies or any Company Subsidiary in the conduct of their businesses was either (i) developed by employees of the Companies or such Company Subsidiary within the scope of their employment, (ii) developed on behalf of the Companies or any Company Subsidiary by a third party, and all ownership rights therein have been assigned or otherwise transferred to or vested in the Companies or such Company Subsidiary, as the case may be, pursuant to written agreements or (iii) licensed or acquired from

a third party pursuant to a written license, assignment, or other contract that is in full force and effect and of which neither the Companies nor any Company Subsidiary are in material breach.

(j) Neither the Companies nor any Company Subsidiary are, nor will they be as a result of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, in breach of any license, sublicense or other agreement relating to Intellectual Property.

Section 3.26 Personnel; Labor Matters.

(a) Section 3.26(a) of the Disclosure Letter sets forth a true and complete list of (i) the names and current salaries of all directors and elected and appointed officers of each of the Companies and the Company Subsidiaries, and the family relationships, if any, among such persons; (ii) the wage rates for non-salaried and non-executive salaried employees of each of the Companies and the Company Subsidiaries by classification and (iii) all group insurance programs in effect for employees of each of the Companies and the Company Subsidiaries. Neither the Companies nor any Company Subsidiary are in default with respect to any of their obligations referred to in the preceding sentence.

(b) There is no labor strike, dispute, corporate campaign, slowdown, stoppage or lockout actually pending, or to the Knowledge of the Shareholders, threatened against or affecting the Companies or any Company Subsidiary and during the past five years there has not been any such action. Neither the Companies nor any Company Subsidiary are a party to or bound by any collective bargaining or similar agreement with any labor organization or work rules or practices agreed to with any labor organization or employee association applicable to employees of the Companies or any Company Subsidiary. None of the employees of the Companies or any Company Subsidiary is represented by any labor organization and, to the Knowledge of the Shareholders, there have been no union organizing activities among the employees of the Companies or any Company Subsidiary within the past five years, nor does any question concerning representation exist concerning such employees.

(c) A true and complete copy of each written personnel policy, rule and procedure applicable to employees of the Companies or any Company Subsidiary is included in Section 3.26(c) of the Disclosure Letter.

(d) Each of the Companies and each of the Company Subsidiaries is, and has at all times been, in compliance, in all material respects, with all applicable laws respecting employment and employment practices, terms and conditions of employment, wages, hours of work and occupational safety and health, and is not engaged in any unfair labor practices, as defined in the National Labor Relations Act or other applicable laws. There is no unfair labor practice charge or complaint against the Companies or any Company Subsidiary pending or, to the Knowledge of the Shareholders, threatened before the National Labor Relations Board or any similar state or foreign agency. To the Knowledge of the Shareholders, no charge with respect to or relating to the Companies or any Company Subsidiary is pending before the Equal Employment Opportunity Commission or any other agency responsible for the prevention of unlawful employment practices. There are no complaints, lawsuits, arbitrations or other proceedings pending, or to the Knowledge of the Shareholders, threatened by or on behalf