



U.S.

01-07-2005

Docket No. 22379.0000



SHEET

TO: The Commissioner of Patents and T.

102828943

Original document(s) or copy(ies).

## Submission Type

☒ New☐ Resubmission (Non-Recordation)  
Document ID # \_\_\_\_\_☐ Correction of PTO Error

Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

☐ Corrective Document

Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

## Conveyance Type

☐ Assignment☐ License☐ Security Agreement☐ Nunc Pro Tunc Assignment  
Effective Date☐ Merger

Month Day Year

☐ Change of Name☒ Other Stock Purchase Agreement

## Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date

Month Day Year  
12/5/2000Name Locksmith Publishing Corp.

Formerly \_\_\_\_\_

☐ Individual☐ General Partnership☐ Limited Partnership☐ Corporation☐ Association☐ Other \_\_\_\_\_☒ Citizenship/State of Incorporation/Organization North Carolina

## Receiving Party

☐ Mark if additional names of receiving parties attachedName Cygnus Business Media, Inc.

DBA/AKA/TA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) 1233 Janesville Avenue

Address (line 2) \_\_\_\_\_

Address (line 3) Fort Atkinson

City

Wisconsin

State/Country

53538

Zip Code

☐ Individual☐ General Partnership☐ Limited Partnership☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)☐ Corporation☐ Association☐ Other \_\_\_\_\_☒ Citizenship/State of Incorporation/Organization Delaware

## FOR OFFICE USE ONLY

06/08/2004 ECOOPER 00000179 191565 2047166

01 FC:8521 40.00 DA  
02 FC:8522 75.00 DAMail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

## U.S. PATENT AND TRADEMARK OFFICE

Docket No. 22379.0000

Page 2

## Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name \_\_\_\_\_

Address (line 1) \_\_\_\_\_

Address (line 2) \_\_\_\_\_

Address (line 3) \_\_\_\_\_

Address (line 4) \_\_\_\_\_

## Correspondent Name and Address

Area Code and Telephone Number

202.663.8000

Name Kathy J. McKnightAddress (line 1) ShawPittman LLPAddress (line 2) 2300 N. Street, NWAddress (line 3) Washington, D.C. 20037-1128

Address (line 4) \_\_\_\_\_

## Pages

Enter the total number of pages of the attached conveyance document including any attachments. # 24Trademark Application Number(s) or Registration Number(s) ☐ Mark if additional numbers attachedEnter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

2047166199692118039671647422

## Number of Properties

Enter the total number of properties involved.

# 4

## Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$ 115

Method of Payment:

Enclosed ☐Deposit Account ☒

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

# 19-1565

Authorization to charge additional fees:

Yes ☐ No ☒

## 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. Charges to deposit account are authorized, as indicated herein.

Kathy J. McKnight

Name of Person Signing

Kathy McKnight

Signature

June 3, 2004

Date Signed

**STOCK PURCHASE AGREEMENT**

THIS IS A STOCK PURCHASE AGREEMENT (the "Agreement"), made effective the 5th day of December, 2000, among LOCKSMITH PUBLISHING CORP., a North Carolina corporation (the "Corporation"), CYGNUS BUSINESS MEDIA, INC., a Delaware corporation ("Buyer"), ILCO UNICAN CORP. ("Ico"), a North Carolina corporation (the "Seller") and UNICAN SECURITY SYSTEMS LTD., a Canadian corporation ("Unican").

**RECITALS**

Seller owns one thousand (1000) shares of the outstanding common stock in the Corporation (the "Stock") and Buyer desires to purchase all of the Stock for the price and upon the terms and conditions set forth in this Agreement.

The Corporation publishes trade publications in the lock and security industry, including "Locksmith Ledger," "Security Technology and Design" and "Protection One," sells other books and periodicals relating to the lock and security industry, organizes, produces and manages lock and security industry trade shows including the Ledger World Conference and Exposition and maintains web sites related to the foregoing (the "Business").

**COVENANTS**

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein provided, IT IS AGREED:

1. **Purchase of Stock.** Subject to the terms and conditions of this Agreement, Buyer hereby agrees to purchase and Seller hereby agrees to sell the Stock.

2. **Purchase Price.** The purchase price for the Stock shall be FOUR MILLION FOUR HUNDRED THOUSAND AND NO/100 UNITED STATES DOLLARS (\$4,400,000.00 US) (the "Purchase Price") which shall be paid together with ONE HUNDRED THOUSAND AND NO/100 UNITED STATES DOLLARS (\$100,000.00 US) in respect of the agreements of the Seller and Unican set forth in Section 15 (the "Noncompete Payment").

3. **Payment of Purchase Price.** Subject to the satisfaction of the conditions to the Closing set forth in Sections 9 and 10, Buyer shall pay the Purchase Price and the Noncompete Payment to Seller at the Closing in cash by confirmed wire transfer less the amount escrowed pursuant to Section 4. The Buyer's wire transfer instructions are as follows: Beneficiary: Ico Unican Corp.; Account No.: 1491010750; ABA No.: 053101121; and Bank: Branch Banking & Trust Company (Wilson, NC).

LOCKSMITH PUBLISHING CORP. 11/11/00 09:49 233997 v.1.1

4. Escrow Agreement. Notwithstanding anything herein contained to the contrary, Two Hundred Twenty-Five Thousand United States Dollars (\$225,000.00 US) of the Purchase Price and all interest earned thereon, if any (collectively, the "Escrowed Funds"), shall be held by Branch Banking & Trust Company (the "Escrow Agent"), pursuant to the Escrow Agreement in the form attached as Exhibit A hereto (the "Escrow Agreement").

5. Excluded Assets. At or prior to the Closing, the Seller shall cause the Corporation to distribute to the Seller as a dividend the Corporation's office in Chicago, Illinois, including all real estate and buildings and improvements related thereto (the "Chicago Office"). The Corporation's deed conveying the Chicago Office to the Seller shall be delivered to the Seller for recording prior to Closing; if the Seller is unable to have the deed recorded prior to Closing, the Buyer shall cause the Corporation to cooperate as necessary to effect the recording of the deed as soon as practicable and, in addition, the Buyer shall cause the Corporation to execute such further documents, including replacement or substitute deeds, as shall be necessary to effect the transfer of the Chicago Office to the Seller. In any event, the transfer of the Chicago Office shall be deemed to be a dividend from the Corporation to the Seller effected at or prior to the Closing. All costs of recording the deed or any replacement or substitute deeds shall be paid by the Seller.

6. Payment of Liabilities. At or prior to the Closing, the Seller shall cause the Corporation to pay any outstanding borrowed debt to banks and cause all liens and security interests securing any borrowed debt to be removed from the assets of the Corporation. Nothing herein shall require the Seller or the Corporation to pay the other outstanding debts of the Corporation incurred in the ordinary course of the Business consistent with past practice.

7. Representations and Warranties of Seller and Unican. Seller and Unican hereby, jointly and severally, represent and warrant as follows:

7.1 Corporate.

7.1.1 The Corporation is a corporation duly organized, validly existing and in good standing under the laws of the State of North Carolina, the state of its incorporation. The Corporation has the corporate power and authority and all licenses, permits and authorizations to own, lease and operate the assets of the Corporation and carry on the Business as and where it is now conducted. Except as set forth on Exhibit B hereto, the Corporation is not required to be licensed or qualified as a foreign corporation in any jurisdiction, and the Corporation is so licensed or qualified and is in good standing in each jurisdiction set forth on Exhibit B. The Corporation has no subsidiaries.

7.1.2 The Corporation's authorized capital stock consists of one hundred thousand (100,000) shares of common stock, par value \$1.00 per share, of which only the Stock is issued and presently outstanding on the date hereof. All shares of the Corporation's capital stock are currently owned by the Seller and have always been owned by the Seller, and there is no other capital stock of any class authorized, issued or outstanding. All issued and outstanding



Business, except those listed on the Financial Statements (defined below) and recurring obligations and liabilities incurred in the ordinary course of the business with past practice since the last of the Financial Statements was prepared not from the aggregate.

7.1.7 Exhibit D attached hereto lists the directors and officers of the

## 7.2 Property, Assets and Business.

7.2.1 Exhibit E attached hereto is a list of the tangible personal property owned by the Corporation and material to its operation (collectively, the "Tangible Personal Property"). The Corporation has good and marketable title to all of the Tangible Personal Property, free and clear of all mortgages, liens, security interests, pledges, charges, encumbrances, or claims of any nature.

7.2.2 The Corporation leases certain personal property used in the operation of its Business under the personal property lease agreements listed on Exhibit F attached hereto (the "Personal Property Leases"). The Personal Property Leases are in full force and effect. There are no defaults of the Corporation under the Personal Property Leases and no events or conditions which with the passage of time or the giving of notice or both will constitute a default under the Personal Property Leases. Exhibit F also includes a true, correct and current copy of each Personal Property Lease and all amendments and modifications thereto. All such leases are valid, binding and enforceable in accordance with their terms and are in full force and effect. There is no default or claim of default known by the Corporation or the Seller to be pending or asserted against the Corporation by any party to any such contract or agreement and all such lease agreements. The Corporation has not sold, assigned or otherwise transferred any of the Tangible Personal Property.

7.2.3 There are no claims, suits, investigations or actions, litigation, or legal, quasi-judicial, administrative, arbitration or other proceedings, or governmental investigations, pending or threatened with respect to the Corporation, its capital stock or the Seller. There are no alleged or claimed violations of laws, regulations, orders or restrictions of federal, state or local governments or agencies thereof or any breach of contract relating to the Corporation or its operations or the Business which are now pending or threatened against the Corporation or which were filed against the Corporation within three (3) years prior to the Closing, except those set forth on Exhibit G attached hereto. Exhibit G also contains a list of all civil litigation filed against the Corporation within three (3) years prior to the Closing.

7.2.4 The Corporation has complied in all material respects with all laws, rules, regulations, orders and restrictions of federal, state and local courts, governments and agencies thereof applicable to the operations of the Corporation. The Corporation has properly filed all reports and other documents required to be filed with any federal, state or local government or any governmental or quasi-governmental agency. The Corporation has all material franchises, permits, licenses and other rights necessary to allow it to conduct the Business. Within three (3) years prior to the Closing, no present or former employee of the Corporation has filed a claim or suit against the Corporation, whether under federal, state, or

employment agreement or otherwise, on account of or for: (a) overtime pay, (b) wages or salary for any work done in the current payroll period; (c) vacation time off other than accumulated vacation time off or pay in lieu thereof earned in or in respect of the current fiscal year; (d) violation of any statute, ordinance or regulation relating to minimum wages, hours of work, or work conditions; or (e) relating to discrimination in employment or other employment related claims, except as set forth on Exhibit H.

7.2.5 The Corporation is not prohibited by agreement or law from conducting the Business, and there are no agreements to which the Corporation, the Seller or any other party which in any way restrict or infringe upon any of the assets of the Corporation.

7.2.6 The Corporation has obtained and kept in effect all licenses and permits necessary to the Business.

7.2.7 The Tangible Personal Property is in good operating condition and, subject to normal wear and tear, is free from any liens, has been maintained in accordance with normal industry practice, and is suitable for the purposes for which each is presently used.

7.2.8 The Corporation has not and does not provide any product warranties or other warranties in connection with its operations or the conduct of the Business, except as specifically stated herein.

7.2.9 Assuming the accuracy of the representations and warranties of the Buyer contained in this Agreement, except as set forth on Exhibit I attached hereto, the Corporation is not required to obtain any order, consent, approval or authorization of, or to make any declaration or filing with, any governmental or quasi-governmental agency or other third party (including under any state securities or "blue sky" laws) in connection with the execution and delivery of this Agreement, or the consummation of the transactions contemplated hereby to occur on the date of Closing.

### 7.3 Employee Matters

7.3.1 Exhibit I attached hereto contains a correct and complete list and brief description of all of the following:

(a) The names and current annual salary or wages of all employees of the Corporation, and all profit-sharing, bonus or other forms of compensation other than salary or wages paid or payable to or for the benefit of each such person for the current fiscal year of the Corporation;

(b) All employment, consulting and similar agreements, executive compensation plans, bonus plans, deferred compensation agreements, employee pension plans or retirement plans, employee profit-sharing plans, hospitalization or medical insurance or other plans, policies and arrangements provided for employee benefits of the

Corporation, excluding any contract that has expired, legally terminated or been fully performed, and oral agreements of employment terminable at will; and

(c) All employees of the Corporation to whom any indebtedness is due, other than for salaries currently due from the Corporation for the pay period immediately preceding the Closing.

7.3.2 The Corporation is not a party to or bound by any collective bargaining agreement, nor has it experienced any strike, material grievance, material claim of unfair labor practice or other collective bargaining dispute. To the knowledge of the undersigned officers of the Corporation, there is no organizational effort being made or threatened by or on behalf of any labor union with respect to its employees. The Corporation has not committed any unfair labor practice or materially violated any federal, state or local law or regulation regulating employers or the terms and conditions of its employees' employment, including laws regulating employee wages and hours, employment discrimination, employee civil rights, equal employment opportunity and employment of foreign nationals.

7.3.3 Exhibit K attached hereto contains a list of all employees of the Corporation whose employment by the Corporation shall be terminated at or prior to Closing. The Seller and Unican shall be responsible for payment of all severance payments, benefits and other compensation, if any, payable to the employees listed on Exhibit K as a result of the termination of their employment and for COBRA compliance with respect to such employees.

7.4 Contracts. Exhibit L attached hereto contains a list of the agreements, obligations and commitments to which the Corporation is a party (collectively, the "Contracts"), a correct, complete and current copy of such written agreement and all amendments thereto, if any, and a written summary setting forth the terms and conditions of each oral agreement referred to on Exhibit L. The Corporation is not in default under any of the Contracts or any other agreement or commitment to which it is subject. With respect to each such agreement, to the best of their knowledge: (a) the agreement is legal, valid, binding, enforceable and in full force and effect; (b) the agreement will continue to be legal, valid, binding, enforceable and in full force and effect on identical terms following the Closing; (c) no party is in breach or default, and no event has occurred with which notice or lapse of time would constitute a breach or default, or permit termination, modification or acceleration, under the agreement; and (d) no party has repudiated any provision of the agreement.

#### 7.5 Insurance.

7.5.1 Exhibit M attached hereto is a complete, correct and current copy of all insurance policies (or binder if no policy is issued) currently owned by the Corporation (the "Insurance Policies") and a list of all insurance policies of the Corporation for which a premium has been paid within the last three (3) years. The Corporation has additional coverage under group or blanket policies provided by the Seller or Unican, which coverage shall be terminated at the Closing.

7.5.2 With respect to each of the Insurance Policies, to the best knowledge of the chief executive and chief financial officers of the Corporation: (i) the policy is



legal, valid, binding, enforceable and in full force and effect; (ii) the policy will continue to be legal, valid, binding, enforceable and in full force and effect on identical terms following the consummation of the Closing; (iii) neither the Corporation nor any party to the policies is in breach or in default, including with respect to the payment of premiums or the giving of notices, and no such event has occurred, which with notice or the lapse of time, would constitute such breach or default, or permit termination, modification, or acceleration, under the policy; and (iv) no party to the policy has repudiated any provision thereof. There are no unsettled claims as to which the Corporation's insurers have denied liability. Neither the Corporation nor the Seller has received a notice of cancellation or nonrenewal of any Insurance Policy.

#### 7.6 Financial and Tax

7.6.1 (a) The unaudited financial statements and notes thereto of the Corporation for the fiscal years ending June 30, 1998, June 30, 1999, and June 30, 2000, and the calendar quarter ending September 30, 2000, containing the Corporation's balance sheets and income statements, and related schedules and notes ("Financial Statements"), were prepared by the Corporation and have been furnished to the Buyer. The Financial Statements, including the notes thereto, present fairly, in all material respects, the financial condition of the Corporation as of such dates and the results of the operations of the Corporation and statements of cash flow for such periods indicated in conformity with generally accepted accounting principles in the United States.

(b) The financial books and records of the Corporation: (i) are complete, correct and current, and have been maintained in accordance with sound business practices and U.S. generally accepted accounting principles consistently applied; and (ii) fairly and accurately reflect in all material respects the transactions to which the Corporation is and was a party or by which its properties were affected.

7.6.2 Since September 30, 2000: (a) there has not been any material adverse change in the business, financial condition, operations, results of operations or future prospects of the Corporation, (b) the Corporation has carried on its business in the ordinary course of business and in a manner consistent with prior practice, (c) there have not been any payments made or any liabilities or obligations incurred for borrowed money, for the acquisition of capital assets or for any reasons other than the carrying on of the Corporation's regular business in the ordinary course consistent with past practice, (d) there has not been any damage, destruction or loss, whether or not covered by insurance, affecting the property or assets or business of the Corporation and (e) the Corporation has not (i) sold, leased, assigned or otherwise transferred any of its assets, tangible or intangible (other than in the ordinary course of business consistent with past practice), (ii) permitted any of its assets, tangible or intangible, to become subject to any lien, (iii) written off as uncollectible any accounts receivable other than in the ordinary course of business consistent with past practice and for amounts not greater than \$1,000, (iv) terminated or amended other than in the ordinary course of business consistent with past practice, suffered the termination or amendment of, failed to perform in all material respects its obligations or suffered or permitted any material default to exist under, any material contract, license or permit, (v) made any loan (including any intercompany advance) to any person (other than advances to employees in the ordinary course of business consistent with past practice which do not exceed \$1,000 individually or \$5,000 in the aggregate), (vi)

canceled, waived or released any debt, claim or right in an amount exceeding \$10,000 or otherwise substantial value, (vii) paid any amount to or entered into any agreement, arrangement or transaction with any affiliate (including its officers, directors and employees) outside the ordinary course of business consistent with past practice, (viii) declared, set aside, or paid any dividend or distribution with respect to its capital stock or redeemed, purchased or otherwise acquired any of its capital stock so as to reduce (Y) the shareholder's net equity in the Corporation computed in accordance with generally accepted accounting principles in the United States and consistent with prior practice to an amount less than ONE HUNDRED FIFTY THOUSAND UNITED STATES DOLLARS (\$150,000 U.S.) or (Z) its working capital (i.e., the excess of its current assets over current liabilities, computed in accordance with generally accepted accounting principles in the United States) to less than ZERO, (ix) other than in the ordinary course of business consistent with past practice, granted any increase in the compensation of any officer or employee or made any other change in employment terms of any officer or employee, (x) made any change in any method of accounting, or accounting practice, (xi) suffered or caused any other occurrence, event or transaction which could reasonably be expected to have a material adverse effect on the business, financial condition, operations, results of operations or future prospects of the Corporation, or (xii) agreed, in writing or otherwise, to any of the foregoing.

7.6.3 All federal, state and local income, profits, capital stock, franchise, sales, use, occupation, property and excise and other taxes due by the Corporation have been fully paid when due and reserves for all unpaid taxes have been set up in accordance with U.S. generally accepted accounting principles consistently applied and are reflected in the Financial Statements. The Corporation has withheld and paid all taxes and other amounts required to have been withheld and paid in connection with amounts paid or owing to an employee, independent contractor, creditor, stockholder or other third party.

7.6.4 The Corporation has filed all state and local tax and other returns required to be filed by or in respect of it prior to the Closing. The Corporation does not file separate federal tax returns, and the Corporation has furnished to the Buyer copies of its state tax returns and all amendments thereto for Corporation's tax years ending on June 30, 1998, June 30, 1999, and June 30, 2000. No claims have ever been made by an authority in a jurisdiction where the Corporation does not file a tax or other return that the Corporation is or may be subject to taxation by that jurisdiction. There are no security interests on any of the assets of the Corporation that have arisen in connection with any failure or alleged failure to pay any tax or amount due a federal, state or local government or agency. There are no pending or threatened assessments for taxes or otherwise against the Corporation and there is no dispute or claim concerning any tax or other liability with a state, federal or local government or governmental agency pending or threatened. The Corporation has not waived any statute of limitations or agreed to any extension of time with respect to any tax assessment or deficiency. The Corporation has not filed a consent under Code §341(f) concerning collapsible corporations. The Corporation has not made any payments, is not obligated to make any payments and is not a party to any agreement that under certain circumstances could obligate it to make any payments that are not deductible under Code §280G. The Corporation is not a party to any tax sharing agreement, has not been a member of an affiliated group filing a consolidated federal income tax return other than a group the common parent of which is Seller and has no liability for the taxes of any person under Treas. Reg. §1.1502-6 or any

similar provision of state, local or foreign law (other than those of Seller or Unican), as a transferee or successor, by contract, or otherwise.

7.7 Compliance with Laws. The Corporation is in compliance in all material respects with all laws, ordinances and other governmental rules and regulations applicable to its operations. Within the last three (3) years, the Corporation has not received any notice of a violation of any such law, ordinance or governmental regulation.

7.8 Intellectual Property. The Corporation owns and has the right to use the names "Looksmith Ledger," "Security Technology and Design" and "Protection One" and all goodwill associated therewith and copyrights related thereto and related to the publication associated therewith, and all other proprietary and intellectual property rights (including, without limitation, trademarks, service marks, trade dress, trade names, domain names, web site and corporate names and all the goodwill associated therewith, all copyrights (and all registrations, applications and renewals for any of the foregoing), trade secrets, know-how, software, financial business and marketing plans, customer lists and marketing materials) (herein collectively the "Intellectual Property") necessary for the operation of the Business as presently conducted and as currently proposed to be conducted, free and clear of any liens or other encumbrances. Each item of the Intellectual Property owned or used by the Corporation prior to the Closing will be owned or available for use by the Corporation on identical terms and conditions immediately subsequent to the Closing hereunder. Neither the Corporation nor the operation of the Business, has, to the best knowledge of the chief executive and chief financial officers of the Corporation, Seller and Unican, interfered with, infringed upon, misappropriated or otherwise come into conflict with any intellectual property rights of third parties, and, to the best knowledge of the chief executive and chief financial officers of the Corporation, Seller and Unican, the operation of the Business in the future as it has been operated prior to the Closing will not result in any such interference, infringement, misappropriation or violation of third-party intellectual property rights. Neither the Seller, Unican nor the Corporation has ever received any charge, complaint, demand, claim or notice alleging any such interference, infringement, misappropriation or violation relating to the Business and to the best knowledge of the chief executive and chief financial officers of the Corporation, Unican and the Seller, there is no basis for any third party to assert any such claim or action. To the best knowledge of the chief executive and chief financial officers of the Corporation, Unican and the Seller, no third party has interfered with, infringed upon, misappropriated or otherwise come into conflict with nor contested the ownership, use, validity or enforceability of, any Intellectual Property rights of the Corporation. Exhibit N attached hereto sets forth a complete and correct list of all registered Intellectual Property, pending applications for registrations of Intellectual Property and domain names owned or used by the Corporation.

7.9 Effect of the Agreement and Sale of Stock. The Corporation and the Seller have no reason to know that a material adverse change will occur with respect to the ownership of or title to the Stock or with respect to the Corporation, the assets of the Corporation, due to the consummation of the transactions contemplated hereby.

7.10 Guaranties and Warranties. The Corporation is not a guarantor or liable for any liability or obligation of any other person, entity or organization. The

Corporation has not given or made any written or oral warranties to third parties with respect to any product sold or services performed by the Corporation.

7.11 Assets. The Corporation owns or leases all of the assets necessary to operate the Business as currently conducted and currently proposed to be conducted, provided however that the Corporation participates in employee benefit plans and programs, and secures insurance coverage under insurance policies, of the Seller and/or Unican.

7.12 Transactions with Affiliates. Except as set forth on Exhibit O, the Corporation is not a party to any agreement, arrangement, understanding or transaction with any affiliate of the Corporation as defined in Rule 144(a)(1) promulgated under the Securities Act of 1933 (the "Securities Act"), and no affiliate of the Corporation owns (or will own at the Closing) any property or right, tangible or intangible, which is used in the Business, except insurance policies covering the Business and employee benefit plans covering employees of the Business.

7.13 Not Misleading. Neither this Agreement, including the Exhibits attached herein, nor any statement made by the Corporation, the Seller or Unican herein contains any untrue statement of any material fact or omits to state any material fact necessary in order to make the statements contained herein complete and not misleading.

8. Representations and Warranties of the Buyer. The Buyer represents and warrants to the Seller and Unican as follows:

8.1 Authorization. The Buyer has the full power and authority to execute and deliver this Agreement and to perform its respective obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Buyer, enforceable in accordance with its terms and conditions. The Buyer need not give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement.

8.2 Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (x) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court or administrative body, to which Buyer is subject, or (y) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which Buyer is a party or to which it is bound or to which any of its respective assets are subject.

8.3 Securities Restrictions. The Buyer is purchasing the Stock for its own account and not on behalf of others. The Buyer has read all financial and other information furnished (at the Buyer's reasonable request) to the Buyer regarding the Corporation and has been afforded an opportunity to ask questions of the management of the Corporation, Seller and Unican regarding the Corporation and the Business. The Buyer has not requested any information which has not been furnished to it. The Buyer understands and acknowledges that state securities laws govern and restrict the Buyer's right to offer, sell or otherwise

dispose of any of the Stock unless the Buyer's offer, sale or other disposition thereof is registered under the Securities Act and state securities laws or such offer, sale or other disposition is exempt from registration thereunder.

9 Conditions Precedent to Obligations of the Buyer. Each and every obligation of the Buyer to be performed under this Agreement on or after the Closing shall be subject to the satisfaction on or before the Closing of each and every one of the following conditions precedent, unless Buyer shall waive the same in writing:

9.1 Representations, Warranties and Agreements. Except as otherwise provided in this Agreement or as otherwise expressly agreed to by the Buyer in writing, the agreements, representations and warranties made by the Corporation, the Seller and Unican in this Agreement, and the Exhibits delivered to the Buyer hereunder, shall each be true and correct in all respects on and as of the Closing.

9.2 Performance of Obligations. The Seller, Unican and the Corporation shall have performed and complied with all obligations under this Agreement and the terms and provisions of this Agreement which are to be performed or complied with by any of them prior to or on the Closing, as the case may be.

9.3 Distribution of Assets. The Corporation shall have distributed the Chicago Office to the Seller.

9.4 Corporate Actions. All proceedings, corporate or other, to be taken by the Seller or the Corporation in connection with the transactions contemplated by this Agreement and over which they have control and responsibility under this Agreement, and all documents incident thereto, shall be in proper form and substance and the Seller and the Corporation shall have made available to the Buyer for examination the originals or true and correct copies of all documents which the Buyer may request in connection with such transactions.

9.5 Consents and Approvals. All consents and approvals necessary to consummate the transaction contemplated by this Agreement shall have been obtained.

9.6 Delivery of Documents. The Seller shall have delivered to the Buyer the following, each of which shall be in form and substance reasonably satisfactory to the Buyer:

9.6.1 The Charter of the Corporation, and the amendments thereto, certified by the North Carolina Secretary of State no more than five (5) days prior to the Closing;

9.6.2 The current Bylaws of the Corporation, and all amendments

9.6.3 The Minute Book of the Corporation;

9.6.4 The Stock Book and Stock Transfer Ledger of the Corporation;

9.6.5 A Certificate from the North Carolina Secretary of State evidencing the good standing of the Corporation as of a date not more than five (5) days prior to the Closing, as a domestic corporation under the laws of the State of North Carolina;

9.6.6 A Certificate from the Secretary of State of each state in which the Corporation is qualified to do business as a foreign corporation evidencing the good standing of the Corporation as of a date not more than ten (10) days prior to the Closing;

9.6.7 A tax clearance letter from the North Carolina Department of Revenue;

9.6.8 All certificates representing the Stock, duly endorsed for transfer (or with proper stock powers) and in form reasonably satisfactory to the Buyer, transferring the Stock to the Buyer, free and clear of any mortgage, lien, security interest, pledge, charge, claim or other encumbrance;

9.6.9 The personnel and customer files and all other files, records and books of the Corporation; and

9.6.10 An executed Escrow Agreement.

9.7 Resignations. The Seller shall have delivered to the Buyer the written resignations, dated as of and effective on the Closing, of all officers and directors of the Corporation. Nothing herein shall preclude an officer or director from resigning any time he/she deems the same appropriate.

9.8 Litigation. There shall not have been any actual or threatened action, proceeding or investigation by or before any court or government body which is directed toward challenging, restraining, prohibiting, invalidating or limiting the transactions contemplated hereby or which may affect the benefits to be derived by the Buyer hereunder or the right of the Buyer to own the Stock after the Closing.

9.9 Additional Agreement. The Corporation and Seller and/or Unican shall enter into an agreement providing that Seller and/or Unican shall continue advertising in one or more of the existing publications owned by the Corporation for a period of three (3) years following Closing at a cost to the Seller and/or Unican for such advertising of not less than \$150,000 per year, provided that the Corporation shall not increase the existing advertising rates for the publications applicable to the Seller and Unican, that the publications shall be published in substantially the same format as, and distributed substantially as distributed, prior to Closing and that the Corporation shall make available to Seller and Unican substantially the same space and advertising prominence in any such publication as presently used by Seller and/or Unican.

10. Conditions Precedent to Obligations of the Seller. Each and every obligation of the Seller to be performed under this Agreement on or after the Closing shall be subject to the satisfaction on or before the Closing of each and every one of the following conditions precedent, unless the Seller shall waive the same in writing:

10.1 Representations, Warranties and Agreements. The agreements, representations and warranties made by the Buyer in this Agreement, and the exhibits delivered to the Seller hereunder, shall each be true and correct in all material respects on and as of the Closing.

10.2 Performance of Obligations. The Buyer shall have performed and complied with all obligations under this Agreement and the terms and provisions of this Agreement.

10.3 Litigation. There shall not have been any actual or threatened action, proceeding or investigation by or before any court or government body which is directed toward challenging, restraining, prohibiting, invalidating or limiting the transactions contemplated hereby or which may affect the benefits to be derived by the Seller.

10.4 The Seller, Buyer and Escrow Agent shall have executed and delivered the Escrow Agreement.

11. Expenses. The Seller and Unican on the one hand and the Buyer on the other hand, shall pay their own respective expenses incident to preparing for, entering into and carrying into effect this Agreement and the transactions contemplated hereby.

12. Broker. The Seller, Unican and the Corporation and the Buyer represent and warrant to each other that, no third-party broker or agent has been employed by either of them in the negotiation of this transaction and that they have made no agreements or engagements with any third party for a finder's fee or brokerage or other commission relating to this Agreement or the transactions contemplated herein. The Seller shall pay an agreed fee to the Corporation's chief executive officer for his role in the transaction contemplated hereby.

13. Closing. The sale and purchase contemplated by this Agreement shall occur at the offices of Kirkland & Ellis in New York, New York, at such time and date as the parties hereto shall agree, but which date shall be no later than December 5, 2000 (the "Closing"). At the Closing, Seller shall deliver to the Corporation stock certificates evidencing its ownership in the Stock as herein warranted, duly endorsed for transfer, and Buyer shall tender to Seller the consideration for the Stock as set forth in Section 3 hereof.

#### 14. Indemnification.

14.1 Indemnification by the Seller. The Seller and Unican shall, to the fullest extent permitted by law, indemnify, defend and hold harmless the Buyer and the Corporation and its officers, employees and agents at all times after the Closing, against and in respect of all "Reimbursable Damages," which are defined as the following:

14.1.1 Any and all damages, losses, costs, liabilities, penalties, interest, expenses, and deficiencies resulting from: (a) any misrepresentation or breach of any representation, warranty, covenant or agreement of Seller, Unican or the Corporation contained in this Agreement; (b) nonfulfillment of any agreement, covenant, or obligation on the part of the Seller or Unican under this Agreement; and (c) any negligent or intentional wrongful act of Seller or Unican relating to the Business at any time.

14.1.2 All actions, suits, proceedings, investigations, demands, assessments, judgments, costs and legal and other expenses incident to any of the foregoing.

14.2 Indemnification by the Buyer. The Buyer shall, to the fullest extent permitted by law, indemnify, defend and hold harmless the Seller and Unican at all times after the Closing, against and in respect of all of the following:

14.2.1 Any damages, losses, costs, liabilities, penalties, interest, fines, expenses, and deficiencies resulting from: (a) any misrepresentation or breach of any representation, warranty, covenant or agreement of Buyer contained in this Agreement; (b) nonfulfillment of any agreement, covenant, or obligation on the part of the Buyer under this Agreement; or (c) subject to the indemnity obligations of the Seller pursuant to the provisions of Section 14.1 hereof, the operations or actions of the Corporation, including, without limitation, the Business, or the ownership of the Corporation, after the Closing, including, without limitation, tax obligations except as expressly covered by Section 14A hereof, and

14.2.2 All actions, suits, proceedings, investigations, demands, assessments, judgments, costs and legal and other expenses incident to any of the foregoing.

14.3 Notice; Right to Defend. Each party shall give prompt written notice to the other of the assertion or commencement of any claim, demand, investigation, action, suit or other legal proceeding in respect of which indemnity is or may be sought hereunder; provided, however, that this notice requirement shall not apply to any claim, demand, investigation, action, suit or other legal proceeding in which the parties are litigating claims against each other. The failure by any party to give such notice to the other party shall relieve such other party of its obligations under this Section 14 if and to the extent that it has been prejudiced by the lack of timely and adequate notice.

The indemnifying party shall have the right to assume and control the defense or settlement of any third-party claim, demand, investigation, action, tax audit or assessment, suit or other legal proceeding in respect of which it is obligated to provide indemnity hereunder; provided, however, that the indemnifying party shall not settle or compromise any such claim, demand, investigation, action, tax audit or assessment, suit or other legal or administrative proceeding without the indemnified party's prior written consent thereto, unless the terms of such settlement or compromise discharge and release the indemnified party from any and all claims and obligations thereunder. Notwithstanding the foregoing, (1) the indemnified party shall have the right, at its option and expense, to participate fully in the defense or settlement of such claim, demand, investigation, action, suit or other legal proceeding; and (2) if the indemnifying party does not proceed diligently to defend or settle such claim, demand, investigation, action, suit or other legal proceeding within ten (10) days after its receipt of notice of such claim, demand, investigation, action, suit or other legal proceeding or commencement thereof, then (x) the indemnified party shall have the right, at its option and expense, to undertake the defense or settlement of such claim, demand, investigation, action, suit or other legal proceeding for the account and at the risk of the indemnifying party, and (y) the indemnifying party shall be bound by any defense or settlement made by the indemnified party may make as to such claim, demand, investigation, action, suit or other legal proceeding. The Seller, Unican and the Buyer agree that, for the purpose of enforcing indemnity hereunder, the indemnified party may join the indemnifying party in any



third-party claim, demand, investigation, action, suit or other legal proceeding as to which such right of indemnity would or might apply. The Seller, Unican and the Buyer shall cooperate fully in defending or settling any third-party claim, demand, investigation, action, suit or other legal proceeding, and the defending or settling party shall have reasonable access to the books and records and personnel of the other party that are relevant to such claim, demand, investigation, action, suit or other legal proceeding.

14.4 Insurance. The amount payable by the indemnifying party to or for the indemnified party hereunder shall be reduced (but not below zero) by any insurance proceeds collected by the indemnified party for, or otherwise paid to another person or entity to reduce or eliminate, the matter that is the subject of the indemnity (net of any increase in premiums resulting from the payment by the insurer of such proceeds). Each party shall use their respective good faith efforts to collect all insurance proceeds reasonably available to it. If the indemnified party both collects or otherwise benefits from any such insurance proceeds and receives a payment from the indemnifying party hereunder, and the sum of such proceeds and payment is in excess of the amount payable with respect to the matter that is the subject of the indemnity, then the indemnified party shall promptly refund to the indemnifying party the amount of such excess, if permitted by the applicable insurance policy(ies).

14.5 Limitations. Any claim for indemnification by the Buyer under Section 14.1(a) and (b) shall be made within one (1) year from the Closing and any claim under clause (c) of Section 14.1.1 shall be made within the time permitted by any applicable statute of limitations. No claims for indemnification by Seller, Unican or Buyer shall be made until the amount of claims in the aggregate shall exceed the sum of FIVE THOUSAND UNITED STATES DOLLARS (\$5,000.00 US) and the liability of Seller and Unican in the aggregate, on the one hand, and of Buyer, on the other hand, under this indemnity shall not exceed TWO HUNDRED TWENTY-FIVE THOUSAND AND NO ONE-HUNDREDTHS UNITED STATES DOLLARS (\$225,000.00 US); provided that there shall be no limitation on indemnity with respect to the matters set forth in Section 14.2.1(c) or Section 14A.2. All sums paid to Buyer out of the Escrowed Funds shall be credited to such indemnification limit with respect to the Seller and Unican. Any claim for indemnification by the Seller or Unican under clauses (a) and (b) of Section 14.2.1 shall be made within one (1) year from the Closing and any claim under clause (c) of Section 14.2.1 shall be made within the time permitted by any applicable statute of limitations.

14.6 Survival. The provisions of this Section 14 shall survive the Closing.

14.7 Priority of Section 14A. Notwithstanding anything to the contrary hereunder, this Section 14 (other than subsection 14.3, to the extent not inconsistent with Section 14A) shall not apply to claims regarding taxes, which are governed by Section 14A.

#### 14A. Tax Matters.

14A.1 Tax Sharing Agreements. Any tax sharing agreement between Seller, Unican and the Corporation is terminated as of the date of the Closing (the "Closing Date") and will have no further effect for any taxable year (whether the current year, a future year or any past year).

**14A.2 Pre-Closing Period Taxes.** Seller and Unican agree to indemnify the Buyer from and against the entirety of any adverse consequences the Buyer may suffer resulting from, arising out of, relating to, in the nature of, or caused by any liability of the Corporation for taxes of any other person (i) under Treas. Reg. §1.502-6 (or any similar provision of state, local or foreign law), (ii) as a transferee or successor, (iii) by contract, or (iv) otherwise with respect to all taxable periods ending on or before the Closing Date. Seller and Unican agree to indemnify the Buyer and the Corporation for all taxes incurred by or imposed upon the Corporation with respect to all taxable periods ending on or before the Closing Date.

**14A.3 Returns for Periods Through the Closing Date.**

(a) Seller and/or Unican will include the income of the Corporation (including any deferred income triggered into income by Treas. Reg. §1.1502-13 and Treas. Reg. §1.1502-14 and any excess loss accounts taken into income under Reg. §1.1502-19) on the Seller's and/or Unican's consolidated federal and, to the extent eligible to do so, all state combined or unitary, income tax returns for all periods through the Closing Date and pay any income taxes attributable to such income. The Corporation will furnish tax information to Seller and/or Unican for inclusion in Seller's and/or Unican's federal consolidated and state combined or unitary income tax returns for the period which includes the Closing Date in accordance with the Corporation's past custom and practices. Seller and/or Unican will allow the Buyer an opportunity to review and comment upon any information relating to the Corporation which will be included in the Seller's or Unican's tax returns (including any amended returns), but only to the extent that such information relates to the Corporation. The income of the Corporation will be apportioned to the period up to and including the Closing Date and the period after the Closing Date by closing the books of the Corporation as of the end of the Closing Date.

(b) With respect to tax returns that are due after the Closing Date and include periods before the Closing Date, Buyer shall, or shall cause the Corporation to, prepare and file such returns in a timely manner. Within 15 days prior to the due date of such returns, Buyer shall prepare, and deliver to Unican, a schedule allocating responsibility for pre-closing period taxes and post-closing period taxes. Unican shall pay to Buyer, within 10 days of receipt of such schedule, an amount equal to the portion of taxes shown on such return which relates to the portion of such taxable period ending on the Closing Date ("Pre-Closing Taxes"). For purposes of this Agreement, in the case of any taxes that are imposed on a periodic basis and are payable for a taxable period that includes (but does not end on) the Closing Date, Pre-Closing Taxes shall mean an amount equal to, (i) with respect to taxes other than taxes based on income or receipts, a proportionate amount of taxes for such taxable period, based on the number of days in the taxable period before and including the Closing Date, and the total number of days in the taxable period; and (ii) with respect to taxes based on income or receipts, the amount that would be payable in the relevant taxable period ended on the Closing Date.

**14A.4 Audits.** Seller and Unican will allow Buyer, the Corporation and its agents to participate at its own expense in any audits of Seller or Unican consolidated federal or combined or unitary income tax returns to the extent that such returns relate to the Corporation. Seller and/or Unican will not settle any such audit in a manner which would affect the Corporation after the Closing Date without the prior written consent of the Corporation, which consent shall not unreasonably be withheld.

**14A.5 Carrybacks.** Unican will immediately pay to the Buyer any tax refund (or reduction in tax liability) resulting from a carryback of a postacquisition tax attribute of the Corporation into any Seller and/or Unican consolidated, combined or unitary tax return, when such refund or reduction is realized by Seller and/or Unican. Seller and/or Unican will cooperate with the Corporation in obtaining such refunds (or reduction in tax liability), including through the filing of amended tax returns or refund claims. The Buyer agrees to indemnify Seller and/or Unican for any taxes resulting from the disallowance of such postacquisition tax attribute on audit or otherwise.

**14A.6 Retention of Carryovers.** Seller and/or Unican will not elect to retain any net operating loss carryovers or capital loss carryovers of the Corporation under Treas. Reg. §1.1502-20(g).

**14A.7 Section 338(h)(10) Election.** At the Buyer's option Seller and/or Unican will join the Buyer in making an election under Section 338(h)(10) of the Code (and any corresponding elections under state, local, or foreign law) (collectively a "Section 338(h)(10) Election") with respect to the purchase and sale of the stock of the Corporation hereunder. All costs of preparing and filing such election shall be paid by Buyer.

**14A.8 Allocation of Purchase Price.** Seller shall prepare and furnish to Buyer within fifteen (15) days following the Closing financial statements prepared in the ordinary course of business consistent with prior practice for the month ending November 30, 2000. Buyer, Unican and Seller agree that the Purchase Price and the liabilities of the Corporation (plus other relevant items) will be allocated to the assets of the Corporation for all purposes (including tax and financial accounting purposes) in a manner consistent with the fair market values set forth in an Allocation Schedule to be approved by the parties to their mutual satisfaction following the Buyer's receipt of the aforesaid November 30, 2000, financial statements. The Buyer shall prepare a proposed Allocation Schedule and present it to the Seller for approval within fifteen (15) days following the receipt of the November 30, 2000 financial statements, and the parties shall negotiate in good faith to approve a mutually-acceptable Allocation Schedule. The Buyer, the Corporation, the Seller and Unican will file all tax returns (including amended returns and claims for refunds) and information reports in a manner consistent with the allocation and values set forth on a mutually-approved Allocation Schedule.

## **15. Non-Competition.**

### **15.1 Covenant Against Competition.**

**15.1.1** For and in consideration of the payment by Buyer to Seller of the Non-Compete Payment, for a period of five (5) years after the Closing, neither the Seller nor Buyer shall, and nor shall their respective subsidiaries, except in connection with work performed for the Corporation, within the Restricted Territory (defined below),

- (i) directly or indirectly, engage in, or

- (ii) participate in the financing, ownership or management of any firm, corporation, or business (whether as an employee, officer, director, agent, owner, partner, consultant or otherwise), the purpose or result of which is to engage in,

any business that publishes trade publications in the lock and security industry and/or organizes, produces and manages lock and security industry trade shows, provided, however, that nothing herein shall limit or restrict the rights of Seller and Unican to organize, produce and manage exhibits of their own products and/or seminars and training sessions for such products or to exhibit or otherwise participate in trade shows organized, produced or managed by third parties.

For the purposes of this Agreement the term "Restricted Territory" shall include each of the following areas:

- (1) The United States; and
- (2) Canada.

15.1.2 The Seller and Unican hereby acknowledge that a breach of covenants provided under this Section 15 will cause irreparable damage and the parties agree that the remedies at law will be inadequate. In the event of the breach hereof, the Corporation and the Buyer shall have the right to enjoin the Seller and Unican from acts in violation thereof, including by temporary restraining order, preliminary and permanent injunction. The right of injunction shall be in addition to, and not in lieu of, all of the rights and remedies the Corporation shall have at law or in equity, including, without limitation, the right to recover damages.

15.1.3 The five (5) year period of protection provided under this Section with respect to non-competition shall not be reduced by any period of time during which the Seller is not in compliance therewith or any period of time required for litigation to enforce this Agreement.

15.1.4 The provisions of this Section 15 shall survive the Closing.

15.2 Injunctive Relief. Recognizing that any breach by the Seller or Unican of any of the covenants and agreements contained in this Section 15 would result in irreparable damage to the Corporation for which money damages could not adequately compensate the Corporation, in the event of any such violation or breach the Corporation shall be entitled, in addition to any other rights and remedies which it may have at law or in equity, to have an injunction issued by any competent court of equity enjoining and restraining the Seller and/or Unican from continuing such breach. If the covenants and agreements contained in this Section 15 are the subject of litigation between the parties, the term of the covenants and agreements in this Section 15 shall be extended for a period of time equal to the period of such breach, commencing on the date of (i) the date of a final court order (without further right of appeal) enforcing such covenants or agreement(s) or (ii) the last day of the period of such covenants prior to such litigation.

15.3 Severability. If any portion of the foregoing covenants or agreements, or any portion thereof, is construed to be invalid or unenforceable, the remainder of the

covenant(s) or agreement(s) or the application thereof shall not be affected, and the remaining covenant(s) or agreement(s) shall then be given full force and effect without regard to the invalid or unenforceable portions

16. Additional Covenants of the Parties. The Buyer, the Corporation, Unican and the Seller agree to the following additional covenants and agreements:

16.1 Press Releases and Announcements. Neither the Buyer nor the Seller shall issue any press release or announcement to the Corporation's customers or otherwise relating to the subject matter of this Agreement before or after the Closing without the prior written approval of the other. The parties shall cooperate in making any announcement with respect to the Corporation and the transactions contemplated hereby incident to or after the Closing; provided, however, no such announcement shall contain the specific terms of this Agreement without the written consent of the Buyer and the Seller.

16.2 Transition. Neither the Corporation, the Seller nor Unican will take any action designed or intended to have the effect of discouraging any employee, customer, supplier, or other business associate of the Corporation from maintaining the same business relationships with the Corporation after the Closing as it maintained with the Corporation prior to the Closing. The Seller and Unican will refer all customer inquiries relating to the Business to the Buyer from and after the Closing. At or prior to the Closing the Corporation shall terminate its participation in all benefit plans of the Seller and Unican.

16.3 Copying of Records/Access to Records After Closing. The Seller may copy and retain copies of any of the books, records or files of the Corporation for tax and other legitimate business purposes. From and after the Closing, the Corporation shall permit the Seller reasonable access to the books, records and files of the Corporation maintained by the Corporation on the Closing for tax and other legitimate business purposes. Neither the Buyer nor the Corporation shall be under any obligation to retain any books, records or files of the Corporation for more than three (3) years following the Closing and from and after that time may move, destroy or otherwise deal with them as they deem necessary and appropriate.

16.4 Notices. Any notice or other communication required or which may be given hereunder ("Notice") shall be in writing and be hand delivered, or mailed to the parties by U.S. mail, certified or registered mail, postage prepaid, or delivered by Federal Express or other recognized overnight carrier, postage prepaid, or sent via facsimile transmission, as follows:

Mail to the Seller or Unican:

c/o Nelson Gentiletti  
Unican Security Systems Ltd.  
7301 Decarie  
Montreal (Quebec), Canada #4P 2G7  
Facsimile No.: 514.344.1102

With Copy to:

Poyner & Spruill L.L.P.  
P. O. Box 353  
Rocky Mount, NC 27802-0353  
Facsimile No.: 252.972.7045

Attention: Samuel W. Johnson

If to the Buyer:

Cygnus Business Media, Inc.  
830 Post Road East  
Westport, CT 06880  
Facsimile No.: 203.227.4245  
Attention: Paul Mackler

With Copy to:

Kirkland & Ellis  
Citigroup Center  
153 East 53<sup>rd</sup> Street  
New York, New York 10022-4675  
Facsimile No.: 212.446.4900  
Attention: Stephen Lebowitz

and to such other address or addresses as the parties may designate in writing by Notice. Such notice shall be deemed given and received when hand delivered, two (2) days after mailing in the U.S. mail in the aforesaid manner, the next day if sent by overnight carrier, and the same day if sent by facsimile transmission with electronic confirmation of receipt.

18. Waivers and Amendments. This Agreement may not be amended, modified, superseded, canceled, renewed or extended, nor may the terms and conditions hereof be waived, except in a writing signed by all of the parties hereto or, in the case of a waiver, by the party waiving compliance. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

19. Further Assurances. From and after the Closing, upon the reasonable request of any party to this Agreement, the parties shall execute, acknowledge and deliver such further documents and assurances, and comply with any other requests as may be reasonably required or otherwise appropriate to carry out the transactions contemplated by this Agreement; provided, however, that if there are any costs or expenses related thereto which are incurred by a party for whom a request has been made, then the requesting party shall be responsible for paying those costs or expenses.

20. Binding Agreement. Subject to the provisions set forth in this Agreement on assignment, all of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by each of the parties hereto, their respective legal representatives, successors and assigns.

21. Construction. This Agreement shall be governed and construed in accordance with the laws of the State of New York, without regard to its conflict of law provisions. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

22. Gender, Paragraphs and Headings. All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the context may require. All paragraphs and headings are for convenience of reference only and shall not constitute a part thereof.

23. Assignment. This Agreement and the rights and obligations of any party hereto may not be assigned without the prior written consent of the other parties, which consent may not be unreasonably withheld; provided, however, that Buyer may assign its rights and obligations hereunder to an affiliate of Buyer without the consent of Seller, and in such case Buyer shall not be relieved of any of its obligations hereunder but shall remain jointly and severally liable with the assignee for the performance of such obligations.

24. Severability. If any provision of this Agreement or portion thereof is held by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the remainder hereof, which shall otherwise remain in full force and effect.

25. Additional Remedies. The provisions of Sections 14 and 15 hereof, and the other rights and remedies specifically set forth in the Agreement, shall be in addition to, and not a limitation of, any and all other rights and remedies available to the parties under or in connection with this Agreement.

26. Entire Agreement. This Agreement, including the Exhibits hereto, contains the entire agreement among the parties with respect to the transactions contemplated herein and supersedes all prior agreements, written or oral, with respect thereto.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have signed and sealed this Agreement in the manner required by law, to be effective the day and year first above written.

LOCKSMITH PUBLISHING CORP.

By: *Q. W. Smith*

~~(Vice)~~ President

CYGNUS BUSINESS MEDIA, INC.

By: *Craig Schneider*

President CFO

ILCO UNICAN CORP.

By: *Q. W. Smith*

President

UNICAN SECURITY SYSTEMS LTD.

By: *Q. W. Smith*

President



EXHIBITS

- A. Escrow Agreement
- B. Qualified Jurisdictions
- C. Articles of Incorporation and Bylaws
- D. Officers and Directors
- E. Tangible Personal Property
- F. Personal Property Leases
- G. Claims and Litigation
- H. Employee Claims
- I. Governmental Authorizations
- J. Employee Matters
- K. Employees to be Terminated
- L. Contracts
- M. Insurance Policies
- N. Intellectual Property
- O. Transactions with Affiliates



*(From Exhibit N)*DOMAIN NAMES

simon-net.com

the registration of which is held in trust for the Corporation by Compass (SIMON-NET-DOM),  
40 Technology Pkwy S., Suite 150, Norcross, GA 30092 US

protectiveoperations.com

ledger.com