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

1. Name of conveying party(ies): DIGITAL PAPER CORPORATION

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

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

2. Name and address of receiving party(ies) Name: ePLUS CAPITAL, INC.

Internal Address, Street Address: 13595 Dulles Technology Drive, City: HERNDON State: VA ZIP: 20171

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

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

3. Nature of conveyance: Assignment, Merger, Security Agreement, Change of Name, Other Asset Purchase and assignment

Execution Date: OCTOBER 10, 2003

4. Application number(s) or patent number(s): A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2777530

Additional numbers attached? Yes No

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

Name: JOAN FAGAN TEICH Internal Address: GELTNER & ASSOCIATES, P.C.

Street Address: 10 E STREET, S.E.

City: WASHINGTON State: DC ZIP: 20003

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:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Joan Fagan Teich Name of Person Signing

Signature

1/21/2005 Date

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

35

01/26/2005 DDYRNE 00000239 2777530

Mail documents to be recorded with required cover sheet information to: 40.00 DP Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 003105 FRAME: 0235

ASSET PURCHASE AGREEMENT

between

ePlus Capital, Inc.

and

Digital Paper Corporation

Dated as of October 10, 2003

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** ("**Agreement**"), is dated as of October 10, 2003, between ePlus Capital, Inc., a Virginia corporation with its principal offices in Virginia (the "**Buyer**"), and Digital Paper Corporation, a Delaware corporation with its principal offices in Virginia (the "**Seller**").

Recitals

A. The Seller develops, produces, markets, licenses, sells and maintains software, including the Transferred Software (as defined below), that, among other features, (i) facilitates the viewing of complex documents over the internet and (ii) enables organizations to manage, view and print complex documents (the "**Technology Business**").

B. The Buyer desires to purchase from the Seller, and the Seller desires to sell, assign and transfer to the Buyer, the assets and properties of the Technology Business, and the Buyer is willing to assume certain specified liabilities and obligations of the Seller related to the Technology Business, all upon the terms and conditions set forth in this Agreement.

C. Capitalized terms used in this Agreement are defined in Article VIII.

NOW, **THEREFORE**, the parties hereto agree as follows:

ARTICLE 1

TECHNOLOGY BUSINESS ASSETS; ASSUMED LIABILITIES

1.1 **Assets.** Except as expressly contemplated in Section 1.2, upon the terms and subject to the conditions set forth in this Agreement, at the Closing, the Seller shall sell, transfer, convey, assign and deliver to the Buyer, and the Buyer shall purchase or acquire from the Seller, free and clear of all Liens except for Permitted Liens, for the consideration set forth herein, all of the right, title and interest in and to all of the following properties and assets (tangible and intangible, whether real, personal or mixed) of the Seller and its Subsidiaries existing on the Closing Date (collectively, the "**Technology Business Assets**"), including:

(a) all Technology Business Intellectual Property;

(b) all Technology Business Equipment listed on Schedule 1.1(b);

(c) the full benefit of (but none of the liabilities of, unless expressly assumed) all Technology Business Contracts listed on Schedule 1.1(c), including without limitation all of Seller's rights and interests therein;

(d) all other assets and properties, including Eligible Accounts Receivable, which are reflected on the Closing Date Balance Sheet, other than any Excluded Assets reflected on the Closing Date Balance Sheet;

(e) all other accounts receivable and funds collected by the Seller after the Closing Date for services performed under the Technology Business Contracts, it being understood that if the Seller receives such funds, the Seller shall deliver them to the Buyer within five (5) business days of receipt;

(f) all Technology Business Books and Records;

(g) all rights in and to products sold, leased or licensed by the Technology Business; and

(h) all goodwill of the Technology Business.

1.2 Excluded Assets. The assets to be acquired hereunder exclude the following assets (collectively, the "Excluded Assets"): (i) cash and cash equivalents; (ii) prepaid insurance of Seller, which totals \$3,607; (iii) Seller's office lease security deposit or deposits for its offices in Alexandria, Virginia and its prior office in Atlanta, Georgia, which totals \$20,021 in the aggregate; (iv) the Corporate Books and Records; and (v) three Dell notebook computers held by Seller employees.

1.3 Excluded Liabilities. Except as specifically set forth in Section 1.4 herein or the attached schedule hereunder, Buyer shall, at the Closing, neither assume nor become responsible for any liabilities, obligations, warranties or commitments of Seller of any kind or character whatsoever, whether or not any such liability, obligation, warranty or commitment arises out of a matter disclosed to Buyer, and whether or not such liability, obligation, warranty or commitment is liquidated or unliquidated, known or unknown, actual or inchoate, accrued, contingent or otherwise, or for any claims or demands based thereon or attributable thereto and any liabilities or obligations of Seller (the "Excluded Liabilities"), and all such Excluded Liabilities shall remain the sole obligation and responsibility of the Seller. Excluded Liabilities shall include without limitation the following:

(a) Expenses. Any legal, accounting, transactional, consultant, brokerage or other expense relating to the negotiation and consummation of the transactions contemplated by this Agreement by or on behalf of the Seller; and

(b) Liabilities. Any liabilities of Seller for acts or omissions of Seller or for services provided by or on behalf of Seller, without regard to (i) the basis or theory of claim (negligence, strict tort, breach of express or implied warranty, fraud or failure to warn, test, inspect, instruct or otherwise); (ii) the nature of the damages sought (property damage, economic loss, personal injury, wrongful death or other); or (iii) whether the claim arose or is asserted before or after the Closing Date.

(c) Environmental. Any liabilities arising out of or attributable to the release, transport, recycling or storage of any hazardous materials, within the meaning of federal or state environmental laws and regulations, at or on any real property now or previously owned, leased or occupied by Seller, or arising out of or attributable to Seller's arrangements for any of the foregoing, or any violation by Seller of any federal or state environmental laws or regulations;

(d) **Claims.** Any liabilities of Seller arising out of acts or omissions of the Seller including, but not limited to, any pending, threatened or unasserted litigation, claims, demands, investigations or proceedings, with respect thereto;

(e) **Employees.** Any liabilities of Seller arising out of the employment relationship between Seller and any of its employees or former employees existing at any time, whether before or after the Closing Date and whether or not such employees are hired by Buyer, including, but not limited to (i) any liabilities of Seller relating to payroll expenses (including salaries, fringe benefits, bonuses, vacation and pension liabilities and federal and/or state withholding and payroll taxes) with respect to services performed on or prior to the Closing Date, unless set forth on the Closing Date Balance Sheet; (ii) any liabilities of Seller relating to or arising out of the severance of employment of any of Seller's employees, unless set forth on the Closing Date Balance Sheet or as provided in Sections 5.4, 5.7(b) and 5.7(c) hereof; (iii) any liabilities of Seller relating to any plan sponsored or maintained by the Seller or any affiliate of Seller or to which Seller has made contributions ("**Plan**"); and (iv) liabilities of Seller relating to or arising out of workers compensation claims and medical or life insurance claims based on occurrences on or prior to the Closing Date and any other liabilities of Seller arising out of the employment relationship between Seller and any of its employees or former employees existing at any time;

(f) **Debt Obligations.** Any liabilities of Seller with respect to any long-term, bank or other debt, current or otherwise, except for the repayment of Seller's debt to Comerica Bank, as described herein;

(g) **Tax Liabilities.** Any liabilities of Seller for Tax (as hereinafter defined);

(h) **Shareholders.** Any liabilities owed or to be owed by Seller to any past, present or future shareholder(s) of Seller; and

(i) **Other Liabilities.** Except to the extent expressly assumed by the Buyer pursuant to Section 1.4 herein, any liability, obligation or commitment caused by or arising from the conduct or operation of the Technology Business, or the ownership or use of the Technology Business Assets, prior to the Closing Date.

1.4 Assumed Liabilities. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, Buyer shall assume and agree to pay honor and discharge the following liabilities, obligations and commitments of Seller (the "**Assumed Liabilities**").

(a) **Balance Sheet Liabilities.** Those balance sheet liabilities reflected on the Closing Date Balance Sheet, comprised of accounts payable, accrued expenses, short-term portion of bank debt, deferred revenue, and the long-term portion of bank debt (the "**Balance Sheet Liabilities**"). The Closing Date Balance Sheet, and a detailed listing of such accounts payable, accrued expenses, deferred revenue, and bank debt will be attached hereto as Exhibit 1.4(a). Any changes in Assumed Liabilities, versus Eligible Accounts Receivable, as compared to the calculations in the letter of intent signed by the parties may result in a downward adjustment in the Cash Amount of the Purchase Price as set forth in Section 2.2(c). In this respect, the Closing Date Balance Sheet shall explicitly set out in detail:

(i) those Balance Sheet Liabilities which are to be assumed by Buyer and satisfied by Buyer following the Closing Date; and

(ii) those Balance Sheet Liabilities which are to be paid at Closing (and in this respect, Buyer shall pay such amounts to Seller at Closing and Seller shall undertake to immediately satisfy such obligations, it being understood that, upon such payment, Buyer shall have no further obligations with respect to such liabilities). In the event Seller does not pay such liabilities required to be paid by Seller according to Schedule 1.4(a), Seller shall reimburse Buyer for such amounts.

(b) Other Assumed Liabilities. The liabilities of the Seller under (i) Seller's contract with Right Now Technologies, of a value of no more than \$6,000, (ii) Seller's xerox service contract, of a value of no more than \$617, (iii) Seller's contract with Merlin Leasing, of a value of no more than \$704 and (iv) the Technology Business Contracts, but only to the extent that such obligations arise after the Closing Date ("Other Assumed Liabilities").

(c) Certain Employee Obligations Reflected on Closing Date Balance Sheet. The Balance Sheet Liabilities described in Section 1.4(a) include certain obligations with respect to fringe benefits (including accrued retention bonuses) and vacation, as well as certain expenses relating to severance, to the extent that such obligations are reflected on the Closing Date Balance Sheet.

(d) Certain Other Employee Obligations. The following other employee obligations (collectively, "Other Employee Liabilities"):

(i) Intentionally Omitted.

(ii) Buyer agrees to reimburse the Seller for Seller's actual payroll expenses incurred between October 13, 2003 and October 15, 2003 in respect of Seller's Technology Business Employees who are hired by Buyer.

(iii) Buyer agrees to assume responsibility for any liability that might be incurred in respect of post-employment payment obligations to Benjamin Battle (under the terms of Mr. Battle's employment relationship with the Seller as of the date hereof), which shall be up to a maximum amount of \$11,666.67 per month for three months, payable semi-monthly directly by Buyer, plus reimbursement for health insurance benefits paid by Mr. Battle during such three month period, in the event that, following the 60-day period described in Section 5.4 below, the Buyer does not hire Mr. Battle at substantially the same compensation arrangements as he has with the Seller on the Closing Date; provided, however, that Buyer shall get a dollar for dollar credit against such maximum amount for amounts earned by Mr. Battle in connection with any part-time work or consulting for anyone other than Buyer. Notwithstanding the foregoing, if Buyer makes such an offer but Mr. Battle elects to accept an offer to work or consult on a full-time basis for someone other than Buyer at the end of this 60-day period, Buyer shall have no obligation to pay Mr. Battle in respect of such obligations.

(e) No Other Assumption. Other than as expressly assumed hereunder, Buyer shall not assume, contractually, by operation of law or otherwise, or have, any liabilities or obligations with respect to the Technology Business Assets. Seller acknowledges that Buyer is

(b) The Buyer and the Seller shall deliver such deeds of assumption or transfer, and such other agreements and instruments, as are necessary or appropriate for the Buyer to assume, and be responsible to pay, honor and discharge, the Assumed Liabilities;

(c) The Seller shall deliver to the Buyer all the certificates, instruments and other documents required to be delivered pursuant to Section 6.2; and

(d) The Buyer shall deliver to the Seller all the certificates, instruments and other documents required to be delivered pursuant to Section 6.3.

2.2 Purchase Price.

(a) Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, the Buyer shall pay the following for the Technology Business Assets (collectively, the "**Purchase Price**"):

(i) By delivering \$1,500,000 in cash to the Seller, subject to a ten percent holdback and the other escrow provisions set forth in this Section 2.2 (the "**Cash Amount**"); and

(ii) By assuming, and agreeing to pay, honor and discharge, the Assumed Liabilities.

(b) The Cash Amount is subject to a ten percent holdback, \$150,000 (the "**Holdback Amount**"), which amount shall be deposited with M&T Bank (the "**Escrow Agent**"), in an interest bearing account. The Holdback Amount shall be held by the Escrow Agent in accordance with the terms of an Escrow Agreement, in the form attached hereto as Exhibit A.

(c) The Cash Amount of the Purchase Price will be adjusted, if necessary, based on the calculation set forth below. Such adjustment will be done in accordance with GAAP. Seller shall cooperate with Buyer and Buyer's accountants in conducting such a review. Two days prior to Closing, the Seller will prepare and deliver to Buyer an unaudited balance sheet with transaction level detail as of the Closing Date, prepared in accordance with GAAP, which will include accounts receivable that are less than sixty days past due and that in the reasonable opinion of Buyer are collectible ("**Eligible Accounts Receivable**"), and Assumed Liabilities, as of such date (the "**Preliminary Closing Date Balance Sheet**"). Buyer will review the Preliminary Closing Date Balance Sheet promptly, and if Buyer disagrees with the calculation of Seller's Eligible Accounts Receivable or Assumed Liabilities, it will promptly (and in any event within one business day) notify the Seller, and will give the Seller an opportunity to review the work papers, if any, related to any proposed adjustments. If there are any disputes as to the Eligible Accounts Receivable and Assumed Liabilities, an independent accounting firm or other party, as selected by mutual agreement of Seller and Buyer and at the parties' equal, mutual expense, will attempt to mediate the dispute. If the dispute is not mediated to the mutual satisfaction of the Buyer and Seller by the Closing Date, the disputed amount based on the calculation in the following sentence shall be placed into escrow until resolved, in accordance with procedures set forth in the Escrow Agreement attached as Exhibit A hereto. Specifically, the Cash Amount of the Purchase Price will be reduced on a dollar-for-dollar basis by the amount, if any, by which Eligible Accounts Receivable less the Assumed Liabilities

(excluding (i) deferred revenue, (ii) Other Employee Liabilities and (iii) payments made in respect of the transitional services under Section 5.4 below) are less than \$54,219, as of the Closing Date, however in the event the difference is less than \$25,000, there will be no reduction in the Cash Amount of the Purchase Price.

2.3 Allocation of Purchase Price.

(a) The parties shall allocate the Purchase Price (including the Assumed Liabilities) and other relevant items (including amounts attributable to the covenants contained in Section 5.3) in accordance with an allocation schedule (the "*Tax Allocation Schedule*").

(b) No later than ten days after the Closing Date, the Seller shall propose, after consultation with Buyer, a Tax Allocation Schedule prepared in accordance with Section 1060 of the Code. If the Buyer does not object to this schedule within 10 days after delivery, the Tax Allocation Schedule shall be treated as the agreed final allocation. If Buyer objects in writing to the Seller with respect to any item set forth in the Tax Allocation Schedule within 10 days after delivery, any dispute shall be resolved by the parties in good faith and in a timely fashion within thirty (30) days of the Closing Date. Notwithstanding the foregoing, Buyer has the right to modify the proposed Tax Allocation Schedule in its reasonable discretion, and in the case of a reasonable difference of opinion on Buyer's part, Seller must agree to Buyer's proposed Tax Allocation Schedule. Following the resolution of any such dispute, the Tax Allocation Schedule shall be revised to reflect such resolution and, upon revision, shall be final and binding on the parties. The parties shall cooperate with each other and to provide each other with such information as the other may reasonably request in connection with the determination of the Tax Allocation Schedule. Any dispute as to the Tax Allocation Schedule may be resolved in accordance with the provisions of this Agreement and the Escrow Agreement.

(c) Each of the parties shall report the federal, state and local and other Tax consequences of the purchase and sale contemplated by this Agreement (including the filing of IRS Form 8594) in a manner consistent with the Tax Allocation Schedule and shall not take any inconsistent position with respect to the Tax Allocation Schedule unless otherwise required by Applicable Law, in which case the party taking such inconsistent position shall make reasonable efforts to notify such other party in advance of taking such inconsistent position. If any such allocation is audited by a taxing authority, the party receiving notice thereof shall promptly notify and consult with the other party and shall keep such other party informed of the status of such audit.

(d) The Buyer and the Seller agree and acknowledge that any allocation of the Purchase Price under this Section 2.3 shall be adjusted in the event of any adjustment to the Purchase Price pursuant to Section 2.2(c) or 7.7.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller represents and warrants to the Buyer as follows:

3.1 Corporate Status and Due Authorization.

(a) The Seller 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 carry on its business and to own or lease and to operate its properties as such business is conducted and such properties are owned, leased or operated. The Seller has the corporate power and authority to execute and deliver this Agreement and each Ancillary Document to which it is a party, to perform fully its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby.

(b) The execution and delivery by the Seller of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all requisite corporate action of the Seller. The Seller has duly executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding agreement of the Seller, enforceable against the Seller in accordance with its terms.

(c) The execution and delivery by the Seller of the Ancillary Documents to which it is a party, and the consummation of the transactions contemplated thereby, have been duly authorized by all requisite corporate action of the Seller. Upon the execution and delivery by the Seller of each Ancillary Document to which it is a party, such Ancillary Document will constitute a legal, valid and binding agreement of the Seller, enforceable against the Seller in accordance with its terms.

3.2 Authority; No Conflicts. The execution, delivery and performance by the Seller of this Agreement and the Ancillary Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not conflict with, result in a breach or violation of, or constitute a default under, (i) the certificate of incorporation or by-laws or other organizational documents of the Seller, (ii) any Applicable Law applicable to the Seller, the Technology Business or any of the Technology Business Assets, or (iii) except as set forth on Schedule 3.2, any contract, license, lease, commitment or other agreement to which the Seller is a party or by which the Technology Business or any of the Technology Business Assets may be bound or affected.

3.3 Required Approvals, Consents and Notices. Except as set forth on Schedule 3.3, no Governmental Approval or other Consent or notice is required to be obtained or made by the Seller in connection with the execution and delivery of this Agreement or the Ancillary Documents to which it is a party, or the consummation of the transactions contemplated hereby or thereby.

3.4 Compliance with Laws; Governmental Approvals. Except as set forth on Schedule 3.4, the Seller has complied in all material respects with all Applicable Laws applicable to the Technology Business or by which any of the Technology Business Assets may be bound or affected. The Seller has all Governmental Approvals and other Consents necessary for, or otherwise material to, the conduct of the Technology Business as presently conducted or the ownership or use of any of the Technology Business Assets; and to the Seller's knowledge, the Seller and its Subsidiaries are in material compliance with each of such Governmental Approvals and Consents.

3.5 Litigation. There is no claim, litigation or investigation pending or (to the Seller's knowledge) threatened against or involving the Seller before any court or other Governmental Authority, in particular, and without limiting the generality of the foregoing, there is no proceeding that (i) questions the validity of, or the obligations of the Seller under, this Agreement or any Ancillary Document, (ii) seeks to impede, enjoin or invalidate the transactions contemplated by this Agreement or any Ancillary Document, or (iii) to the Seller's knowledge, would have or result, in any case or in the aggregate, in an adverse effect on the Technology Business.

3.6 Business Assets.

(a) Subject to the last sentence in this Section 3.6(a) regarding Comerica Bank, the Seller has, or as of the Closing Date will have, good and marketable title to, or otherwise have full and legally enforceable rights to use or hold for use, all of the Technology Business Assets, free and clear of any and all Liens except Permitted Liens. Upon the consummation of the transactions contemplated by the Closing, the Buyer will acquire good and marketable title to, or otherwise have full and legally enforceable right to use or hold for use, the Technology Business Assets, free and clear of any and all Liens, other than Permitted Liens and Liens created by the Buyer or its Affiliates. Seller discloses that Comerica Bank has a Lien on certain assets based on an outstanding balance due to Comerica Bank of less than \$50,000 under a loan agreement with Seller (the "*Comerica Lien*"). Seller understands that Buyer will satisfy that obligation as of the Closing, and agrees to cooperate fully with Buyer to take appropriate and necessary steps to release such Comerica Lien as of the Closing.

(b) To the Seller's knowledge, all Technology Business Equipment which is part of the Technology Business Assets is in good operating condition, ordinary wear and tear excepted, and is fully adequate and suitable for the purposes for which it is currently used or is held for use by the Seller.

(c) The Technology Business Assets comprise all the assets and properties necessary for the continued conduct of, or otherwise material to, the Technology Business as currently conducted by the Seller.

3.7 Contracts. All Technology Business Contracts are in full force and effect in all material respects, and enforceable against each party thereto, and there does not exist any violation, breach or default, or any event or condition that would constitute a violation or breach of or a default under, any Technology Business Contract on the part of the Seller. Except as set forth on Schedule 3.3, no Consent of any third party is required under any Technology Business Contract as a result of or in connection with, and the enforceability of any Technology Business Contract will not be affected in any manner by, (x) the execution, delivery and performance of this Agreement and the Ancillary Documents and (y) the consummation of the transactions contemplated hereby and thereby.

3.8 Intellectual Property.

(a) Set forth on Schedule 3.8(a) is a complete and correct list or description, as of the date hereof, of (i) trademarks, service marks, trade names, copyrights and patents,

including registrations and applications to register any of the foregoing that are owned by the Seller ("**Owned Intellectual Property**"), (ii) the Transferred Software, and (iii) all Intellectual Property Licenses (the Owned Intellectual Property, the Transferred Software and the Intellectual Property Licenses together, the "**Technology Business Intellectual Property**").

(b) The Seller (i) owns, or as of the Closing Date will own, the Owned Intellectual Property and the Transferred Software owned by the Seller, free and clear of all Liens except for the Comerica Lien and Permitted Liens, and (ii) has the full and legally enforceable right to use all other Technology Business Intellectual Property in accordance with the terms of any licenses to the Seller of such other Technology Business Intellectual Property. Upon the consummation of the transactions contemplated by the Closing (and assuming the repayment of the Comerica Bank debt as provided in Section 3.6), the Buyer will own and acquire good and marketable title to, or otherwise have full and legally enforceable right to use or hold for use, the Technology Business Intellectual Property, free and clear of any and all Liens except for Permitted Liens, Liens created by the Buyer or its Affiliates and Liens contemplated by this Agreement or the Ancillary Documents.

(c) The Seller has received no notice or claim that the rights of the Seller or any of its Subsidiaries in the Technology Business Intellectual Property are not valid or enforceable. To the Seller's knowledge, the conduct of the Technology Business as currently conducted does not infringe the trademarks, service marks, trade names, copyrights or patents owned by any Person. To the Seller's knowledge, there is no infringement by any Person of any of the Technology Business Intellectual Property. Seller has not taken or omitted to take any act that would waive, or result in the waiver of any of its rights with respect to the Technology Business Intellectual Property, including the due registration or filing of all applicable Owned Intellectual Property and the maintenance of the secrecy of all confidential Technology Business Intellectual Property.

(d) All unregistered copyrights which are part of the Technology Business Intellectual Property are either works for hire or are copyrights for which Seller possesses a valid assignment of all rights from the copyright holder.

3.9 Employee Benefit Plans and Related Matters.

(a) Set forth on Schedule 3.9 is a true and complete list or description of each "employee benefit plan", as such term is defined in section 3(3) of ERISA, whether or not subject to ERISA, and each bonus, incentive or deferred compensation, severance, retention, change of control, stock option, stock appreciation, stock purchase, phantom stock or other equity-based, performance or other plan, program, arrangement, agreement, policy or understanding, whether written or oral, that provides benefits in respect of any employee or former employee of the Technology Business (such employees, or former employees, the "**Technology Business Employees**") to which Seller or the Technology Business may have any liability or obligation (collectively, the "**Plans**"). Neither the Seller nor any of its Subsidiaries is a party to or bound by any collective bargaining agreement and there are no labor unions or other organizations representing, purporting to represent or attempting to represent any employees employed in the operation of the Technology Business.

(b) Each Plan intended to be qualified under section 401(a) of the Code, and the trust (if any) forming a part thereof, has received a favorable determination letter from the IRS as to its qualification under the Code and to the effect that each such trust is exempt from taxation under section 501(a) of the Code, and to the Seller's knowledge, nothing has occurred since the date of such determination letter that would, individually or in the aggregate, materially adversely affect such qualification or tax-exempt status.

(i) No Plan is subject to section 412 of the Code or section 302 or Title IV of ERISA. No Technology Business Asset is subject to any lien (including a pledge of such assets as security to satisfy an obligation) under section 401(a)(29) of the Code, section 412(n) of the Code, section 302(f) of ERISA or section 4068 of ERISA.

(ii) No liability has been or is expected to be incurred by Seller or any entity required to be aggregated with Seller under section 4001 of ERISA (either directly or indirectly, including as a result of an indemnification obligation), under or pursuant to Title I or IV of ERISA or the penalty, excise tax or joint and several liability provisions of the Code relating to employee benefit plans that would, following the Closing, become or remain a liability of the Technology Business or become a liability of the Buyer or of any employee benefit plan established or contributed to by the Buyer.

(iii) Each of the Plans has been operated and administered in all respects in compliance with all Applicable Laws, except for any failure so to comply that, individually and in the aggregate, would not have or result in a material liability or obligation on the part of the Technology Business, or, following the Closing, the Buyer. To the Seller's knowledge, there are no material pending or threatened claims by or on behalf of any of the Plans, by any Technology Business Employee or otherwise involving any such Plan or the assets of any Plan (other than routine claims for benefits).

(iv) All contributions required to have been made to any Plan under the terms of any such Plan or pursuant to any applicable collective bargaining agreement or Applicable Law have been made within the time prescribed by any such Plan, agreement or Applicable Law.

3.10 Bankruptcy. Seller is not involved in any proceedings by or against it in any bankruptcy court or any other insolvency or debtors' relief act or for the appointment of a trustee, receiver, liquidator, assignee, sequestrator or other similar official of it or of a substantial part of its property.

3.11 Brokers, Finders, etc. All negotiations relating to this Agreement and the Ancillary Documents, and the transactions contemplated hereby and thereby, have been carried on without the participation of any Person acting on behalf of the Seller in such manner as to give rise to any valid claim against the Buyer for any brokerage or finder's commission, fee or similar compensation, or for any bonus payable to any officer, director, employee, agent or sales representative of or consultant to the Seller upon consummation of the transactions contemplated by this Agreement and the Ancillary Documents.

3.12 Accuracy of Information Furnished. Seller hereby represents and warrants to Buyer that, to the Seller's knowledge, no statement by Seller set forth herein or in the exhibits or the schedules hereto, and no statement set forth in any certificate or other instrument or document required to be delivered by or on behalf of Seller pursuant hereto or in connection with the consummation of the transactions contemplated hereby, contained, contains or will contain any untrue statement of a material fact, or omits, omitted or will omit to state any material fact, in each case, which is necessary to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows:

4.1 Corporate Status and Authorization.

(a) The Buyer is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Virginia, with full corporate power and authority to carry on its business and to own or lease and to operate its properties as and in the places where such business is conducted and such properties are owned, leased or operated. The Buyer has the corporate power and authority to execute and deliver this Agreement and each Ancillary Document to which it is a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

(b) The execution and delivery by the Buyer of this Agreement, and the consummation by the Buyer of the transactions contemplated hereby, have been duly authorized by all requisite corporate action of the Buyer. The Buyer has duly executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding agreement of the Buyer, enforceable against the Buyer in accordance with its terms.

(c) The execution and delivery by the Buyer of the Ancillary Documents to which it is a party, and the consummation of the transactions contemplated thereby, will have been duly authorized by all requisite corporate action of the Buyer. Upon the execution and delivery by the Buyer of each Ancillary Document to which it is a party, such Ancillary Document will constitute a legal, valid and binding obligations of the Buyer, enforceable against the Buyer in accordance with its terms.

4.2 Authority; No Conflicts. The execution, delivery and performance by the Buyer of this Agreement and each Ancillary Document to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not conflict with, result in a breach or violation of, or constitute a default under, (i) the certificate of incorporation or by-laws or other organizational documents of the Buyer, (ii) any Applicable Law applicable to the Buyer or to any of their assets or properties, or (iii) any contract, license, lease, commitment or other agreement to which the Buyer is a party or by which it or its business may be bound or affected, except in the case of clause (iii) for conflicts, breaches, violations or defaults that, individually and in the aggregate, would not have or result in an adverse effect on the ability of the Buyer to

consummate the transaction contemplated by this Agreement or any Ancillary Document to which it is a party or to perform its obligations hereunder or thereunder.

4.3 Required Governmental Approvals and Consents. No Governmental Approval or other Consent is required to be obtained or made by the Buyer in connection with the execution and delivery of this Agreement or the Ancillary Documents, the performance by the Buyer of its obligations hereunder or thereunder, or the consummation of the transactions contemplated hereby or thereby, except for any compliance with the Exchange Act.

4.4 Litigation. There is no claim, action, litigation or proceeding pending or (to the Buyer's knowledge) threatened against or involving the Buyer before any Governmental Authority that (i) questions the validity of, or the obligations of the Buyer under, this Agreement or any Ancillary Document, (ii) seeks to impede, enjoin or invalidate the transactions contemplated by this Agreement or any Ancillary Document, or (iii) to the Buyer's knowledge would have or result, in any case or in the aggregate, in an adverse effect on the ability of the Buyer to consummate the transaction contemplated by this Agreement or any Ancillary Document to which it is a party or to perform its obligations hereunder or thereunder.

4.5 Brokers, Finders, etc. All negotiations relating to this Agreement and the Ancillary Documents, and the transactions contemplated hereby and thereby, have been carried on without the participation of any Person acting on behalf of the Buyer or its Affiliates in such manner as to give rise to any valid claim against the Seller for any brokerage or finder's commission, fee or similar compensation.

ARTICLE 5

COVENANTS

5.1 Conduct of Business. From the date hereof to the Closing Date, except as consented to by the Buyer in writing or expressly permitted by this Agreement, the Seller shall operate and conduct the Technology Business and maintain the Technology Business Assets only in the ordinary course consistent with past practice. The Seller shall promptly notify the Buyer of any event, condition or circumstance that, individually or in the aggregate, has or would have a Material Adverse Effect.

5.2 Access and Information Prior to Closing. From the date hereof to the Closing Date, the Seller shall, and shall cause its Subsidiaries, accountants, counsel, consultants, employees and agents to, (a) afford the Buyer and its representatives, during normal business hours and upon reasonable request of the Buyer, full and complete access to all the facilities of the Technology Business, (b) furnish the Buyer and its representatives with all their financial and operating data and other information with respect to the Technology Business and the Technology Business Assets, (c) cooperate with the Buyer and its representatives with their review of the Technology Business and the Technology Business Assets, and (d) keep the Buyer generally informed as to the business and operations of the Technology Business.

5.3 Non-Competition.

(a) From the Closing Date until the first anniversary thereof, the Seller may not, without the prior written consent of the Buyer, host, sell or attempt to sell any of the Technology Business Intellectual Property, or related products that compete directly with products using such Technology Business Intellectual Property, for or to (i) any counterparty to any Technology Business Contract or (ii) any customer of the Technology Business during the two-year period ending on the Closing. For avoidance of doubt, the parties agree and acknowledge that the Seller may not, at any time after the Closing Date, license, sublicense, resell or distribute any of the Technology Business Intellectual Property to any Person. Seller specifically confirms that as part of its assignment of all of its right, title and interest to assets, Seller assigns to Buyer the full benefit of any Employee Assignment of Invention and Confidentiality Agreement to Buyer, including without limitation all confidentiality and non-competition provisions.

(b) Until the first anniversary of the Closing Date, the Seller may not, without the prior written consent of the Buyer, directly or indirectly, have or engage, or solicit for employment or other services, whether as an employee, officer, director, agent, consultant or independent contractor, any employee of the Buyer; provided that this Section 5.3(b) shall not prevent the Seller from soliciting employment pursuant to a general advertisement.

(c) The parties hereto agree and acknowledge that if any provision of this Section 5.3 is held to be invalid or unenforceable for any reason, such provision shall to the extent permitted by law be adjusted (rather than voided) to achieve the intent of the parties hereto to have the widest possible non-compete covenant with respect to the matters covered by such provision.

(d) In the event of any controversy or dispute involving the covenants in this Section 5.3, the Buyer and the Seller shall meet and negotiate in good faith to resolve any such controversy or dispute.

5.4 Transitional Services:

(a) Subject to Section 5.4(b), for a period of 30 days following the Closing Date (60 days, as provided in Section 5.4(c)), the Seller shall assist the Buyer, as and when reasonably requested by the Buyer, with the collection of Eligible Accounts Receivable, with accounting questions and issues including accounting support services and with the orderly transfer of the Technology Business Assets to the Buyer including without limitation issues relating to transfer of customers at reasonable service levels (the "*Transitional Services*").

(b) If the Buyer requests Transitional Services, the Buyer shall reimburse the Seller for its reasonable out of pocket expenses incurred in providing such Transitional Services; provided, however, that to be eligible for reimbursement for anything not otherwise specifically provided for in this Agreement, any expense greater than \$1,000 (or series of related expenses greater than \$1,000 in the aggregate), must have the prior written consent of the Buyer. Notwithstanding the foregoing, nothing contained herein shall be construed as giving Seller authority to act as Buyer's agent for any purpose. In addition, Buyer shall reimburse Seller after the Closing Date for reasonable monthly costs and expenses incurred by Seller in winding down

Seller's business, up to a maximum amount of \$2,000 per month and \$12,000 in the aggregate, payable promptly upon Buyer's receipt of a monthly invoice from Seller.

(c) In this respect, the Buyer specifically requests that the Seller provide Transitional Services as follows: Seller shall make Christopher Fountain available for consulting to the Buyer for a period of 30 days after Closing, and Benjamin Battle available for consulting to the Buyer for a period of 60 days after Closing. Seller shall be reimbursed for its expenses as provided in Section 5.4(b) above with respect to these services (which shall be \$15,000 per month for Christopher Fountain and \$11,666.67 per month for Benjamin Battle, plus benefits, based on Seller's compensation arrangements with such employees as of the Closing Date).

(d) Seller shall maintain its current office space at 201 North Union Street in Alexandria, Virginia until October 31, 2003. Seller agrees to maintain in good operating condition, ordinary wear and tear excepted, and reasonably secure, the Technology Business Equipment in such office space until October 31, 2003; however, assuming that Seller maintains the Technology Business Equipment in such condition and keeps such office space reasonably secure, all risk of loss with respect to the Technology Business Equipment passes to Buyer on the Closing Date and the Buyer is responsible for insuring such Technology Business Equipment effective as of the Closing Date. As soon as practicable, but in any event within five (5) business days following the Closing Date, Buyer agrees to provide Seller a list of all Technology Business Equipment it intends to remove from Seller's current office space. Buyer agrees to remove such listed Technology Business Equipment prior to October 31, 2003 and Seller agrees to remove or otherwise dispose of all Technology Business Equipment, if any, not identified on such list. In addition, Buyer agrees that after the Closing Date, Seller may use one Dell accounting server and one printer in connection with the operation and/or winding down of Seller's business.

5.5 Transfer Taxes. The Buyer shall be responsible for and shall pay all federal, state, local or foreign sales, use, excise, documentary, stamp duty, registration, transfer, conveyance and other similar taxes (including any mortgage tax or other similar governmental charges but excluding any income, gains or similar taxes (such included taxes, collectively, "*Transfer Taxes*")) arising in connection with the transactions contemplated by this Agreement, and the Buyer shall timely prepare Tax Returns in respect of such Transfer Taxes with the applicable taxing authority and shall deliver a copy of such Tax Returns to the Seller for review prior to the filing and shall not file without the Seller's prior written consent, which consent shall not be unreasonably withheld. Each party shall execute and deliver to the other party at Closing all applicable and properly completed Transfer Tax exemption certificates as either the Buyer or the Seller may reasonably request (including, but not limited to, sale for resale exemption certificates for the transfer of any Technology Business Assets purchased by Buyers for resale). Such certificates shall be in the form, and shall be signed by the proper party, as provided under applicable Tax law.

5.6 Tax Matters.

(a) The parties agree that for income Tax purposes they shall report the transactions contemplated by this Agreement as a taxable sale of the Technology Business Intellectual Property by the Seller to the Buyer. No party shall take a position for tax purposes contrary to the preceding sentence without the written consent of the other party. Any dispute

regarding the Tax Allocation Schedule described in Section 2.3 shall be resolved in accordance with the procedures set forth in the Escrow Agreement.

(b) The Buyer and the Seller shall cooperate in good faith with each other following the Closing with respect to all official Tax inquiries, the preparation of Tax Returns and all other legitimate Tax matters relating to the Business Assets or the Technology Business. Such cooperation shall include (without limitation) making available, as reasonably requested, knowledgeable Tax personnel and books, records and files relating to the Technology Business Assets or the Technology Business; provided that the foregoing shall be done in a manner so as not to interfere unreasonably with the conduct of the business of the other party or its affiliated entities.

5.7 Employment of Transferred Employees.

(a) Immediately prior to the Closing Date, to the extent that such employees have not previously resigned their employment with the Seller, the Seller shall terminate the employment of each of the Technology Business Employees. Seller will use its reasonable best efforts to assist Buyer in Buyer's efforts to hire one or more of Seller's employees for employment or consulting arrangements with Buyer following the Closing. These arrangements shall include standard non-solicitation or non-competition agreements. Buyer shall agree to provide all employees of the Company who are hired by Buyer with employee benefits under Buyer's employee benefit plans on terms and conditions which when taken as a whole are substantially similar to benefits provided to similarly situated employees of Buyer, with length of service with the Seller up to the Closing Date to be recognized by Buyer for purposes of Buyer's benefit plans as service with the Buyer.

(b) Neither the Buyer nor any of its affiliates shall have any liability with respect to any Technology Business Employee or Plan or any claim thereof or related thereto, except to the extent expressly provided in Section 1.4(c) and 1.4(d) and this Section 5.7. Except as expressly provided herein, the Seller shall remain solely responsible for any and all liabilities in respect of the Plan including without limitation the termination thereof, and shall be solely responsible for Technology Business Employees through their termination and as of the Closing. As noted in Section 1.4(c) above, the Buyer shall assume and be responsible for those accrued payroll expenses, vacation and bonus amounts that are explicitly reflected on the Closing Date Balance Sheet. As noted in Section 1.4(d) above, the Buyer shall assume and be responsible for (i) reimbursing Seller for certain payroll expenses, as noted in Section 1.4(d)(ii) and (ii) certain severance liabilities to Mr. Battle if the conditions stated in Section 1.4(d)(iii) are satisfied.

(c) Seller shall also satisfy those severance liabilities of the Company that are explicitly reflected on the Closing Date Balance Sheet.

5.8 Benefit Liabilities. From and after the Closing Date, except as set forth in Sections 5.7(b) and 5.7(c) above, the Seller shall remain solely responsible for any and all benefit liabilities relating to or arising in connection with the requirements of COBRA to provide continuation of health care coverage under any Plan in respect of the Technology Business Employees and their dependents (i) to the extent not hired by Buyer, and (ii) to the extent related to a qualifying event occurring before the Closing Date.

5.9 Books and Records after the Closing. Seller shall arrange as soon as practicable following the Closing Date and within five (5) business days thereof, to the extent not previously delivered in connection with the Closing, for delivery, at Seller's cost, to Buyer of the original records in the possession of Seller which are part of or relate to (a) the Technology Business Assets, (b) all written records relating to those items set forth on Schedule 3.8(a), (b) those customer contracts listed on Schedule 1.4, and (c) all contracts listed on Schedule 1.1(c), as well as copies of all agreements, filings with Governmental Entities relating to the Technology Business Assets and all files of Seller containing information concerning the clients and their accounts. Delivery of all such documents shall be accompanied by a certification of a corporate officer of Seller that all of such documents are true, complete and accurate in all respects. In addition, to the extent that Seller delivers original copies of such documents to Buyer, Seller may retain copies of such documents for its own purposes. Seller shall make available to the Buyer and its representatives access to Seller's books and records, employees and auditors to the extent necessary or useful for the Buyer in connection with any audit, investigation, dispute or litigation (other than in connection with any dispute or litigation between Seller and Buyer) or any other reasonable business purpose relating to the Technology Business and the Technology Business Assets. Seller will cooperate with Buyer and its accountants in efforts to obtain audited financial statements related to the Seller as may be required by Commission regulations, with such audits to be performed at Buyer's expense. Seller specifically agrees that, at Buyer's expense, it will provide copies of accounting systems data in machine-readable format if reasonably needed by Buyer in connection with such audits, if any, of Buyer.

5.10 Closing Date Balance Sheet. As soon as practicable, but in any event within five (5) days following the Closing Date, the Seller shall deliver to the Buyer an unaudited balance sheet with transaction level detail, as of the Closing Date (the "*Final Closing Date Balance Sheet*") prepared in accordance with GAAP on a basis (including as to form) consistent with the Preliminary Closing Date Balance Sheet prepared for Buyer. The Buyer shall (i) assist the Seller in the preparation of the Final Closing Date Balance Sheet and (ii) provide the Seller and its independent auditors on-site access at all reasonable times to the personnel, properties, books and records of the Buyer in connection with matters contemplated by this Section 5.10. The Final Closing Date Balance Sheet is referred to herein as the "*Closing Date Balance Sheet*". Upon finalization of the Closing Date Balance Sheet, if required, the Cash Amount of the Purchase Price shall be adjusted in accordance with the parameters set forth in Section 2.2(c).

5.11 Covenant Relating to Technology Business Intellectual Property. Upon termination of the Transitional Services period in Section 5.4, the Seller shall, to the extent commercially practicable, (a) remove copies of the Technology Business Intellectual Property from its operating systems, and (b) deliver to the Buyer all documentation, notes, computer files or other similar media relating to the Technology Business Intellectual Property in the possession of the Seller or its Subsidiaries, and the Seller may not reverse engineer any Technology Business Intellectual Property. Notwithstanding the foregoing, Seller may retain in its archives one copy of each release of the Technology Business Intellectual Property solely for reference purposes with respect to any claims that may be asserted against Seller after Closing with respect to such intellectual property, so long as the Seller does not license or otherwise make use of the Technology Business Intellectual Property for any other purpose.

5.12 Further Actions. Each of the parties shall use its best efforts to take or cause to be taken all actions, and to do or cause to be done all other things, necessary, proper or advisable to consummate the transactions contemplated by this Agreement, including the satisfaction by the Seller of all the conditions contained in Sections 6.1 and 6.2 and the satisfaction by the Buyer of all of the conditions contained in Sections 6.1 and 6.3.

5.13 Further Assurances. Following the Closing, each of the parties shall, and shall cause its Affiliates to, at its own expense, execute and deliver, or cause to be executed and delivered, such additional instruments, documents, conveyances or assurances and take such other actions as may be necessary, or otherwise reasonably requested by the other party, to render effective the consummation of the transactions contemplated by this Agreement and the Ancillary Documents or otherwise carry out the intent and purposes of this Agreement and the Ancillary Documents.

ARTICLE 6

CONDITIONS PRECEDENT

6.1 Conditions to Obligations of Each Party. The obligations of the parties to consummate the transactions contemplated by the Closing shall be subject to the fulfillment, or waiver by the parties, on or prior to the Closing Date of each of the following conditions:

(a) All actions by or in respect of, or filings with or notices to, any Governmental Authority or other persons necessary to effect the transactions contemplated by the Closing shall have been taken or made.

(b) There shall not be in effect any injunction or restraining order or other similar order issued by any Governmental Authority restraining or prohibiting the consummation of the transactions contemplated by the Closing.

6.2 Conditions to Obligations of the Buyer. The obligation of the Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, or waiver by the Buyer, on or prior to the Closing Date, of each of the following additional conditions:

(a) The representations and warranties of the Seller contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as if made on and as of the Closing Date.

(b) The Seller shall have duly performed and complied in all material respects with all agreements and conditions required by this Agreement and each of the Ancillary Documents to be performed or complied with by it on or prior to the Closing Date.

(c) The Buyer shall have received a certificate of an executive officer of the Seller, dated the Closing Date, certifying that the conditions specified in paragraphs (a) and (b) of this Section 6.2, as the case may be, have been fulfilled, and including certified copies of resolutions authorizing the transaction.

(d) The Buyer shall have received an opinion of Cooley Godward LLP, special counsel to the Seller, substantially in the form of Exhibit B or with such changes thereto as are reasonably satisfactory to the Buyer.

(e) The Seller shall have delivered to the Buyer a certificate of the Seller, dated the Closing Date, setting forth the name, address and federal tax identification number of the Seller and stating that the Seller is not a "foreign person" within the meaning of section 1445 of the Code, such certificate to be in the form set forth in the Treasury Regulations thereunder.

(f) The Seller shall have delivered to the Buyer (i) certified copies of the certificate of incorporation and the by-laws of the Seller, (ii) certified copies of resolutions of the board of directors of the Seller approving the entering into and completion of the transactions contemplated by this Agreement and the Ancillary Documents to which the Seller is a party and (iii) an incumbency certificate of the Seller containing a certified list of the officers of the Seller authorized to sign this Agreement or the Ancillary Documents, together with their specimen signatures; it being understood that all such documents shall be certified as of the Closing Date by the Secretary or an Assistant Secretary of the Seller.

6.3 Conditions to Obligations of the Seller. The obligation of the Seller to consummate the transactions contemplated by the Closing shall be subject to the fulfillment, or waiver by the Seller, on or prior to the Closing Date of each of the following additional conditions:

(a) The representations and warranties of the Buyer contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as if made on and as of the Closing Date.

(b) The Buyer shall have duly performed and complied in all material respects with all agreements and conditions required by this Agreement and the Ancillary Documents to be performed or complied with by them prior to or on the Closing Date.

(c) The Seller shall have received a certificate of an executive officer of the Buyer, dated the Closing Date, certifying that the conditions specified in paragraphs (a) and (b) of this Section 6.3, as the case may be, have been fulfilled.

ARTICLE 7

INDEMNIFICATION

7.1 Indemnification by Seller. The Seller shall defend, indemnify and hold harmless the Buyer and its officers, directors, employees, agents, advisers, representatives and Affiliates (collectively, the "*Buyer Indemnitees*") from, against and with respect to any and all claims, liabilities, losses, damages, costs and expenses (including interest, penalties and reasonable attorneys' and accountants' fees and disbursements incurred in investigating or defending any of the foregoing or in asserting, preserving or enforcing any rights under this Agreement), whether or not resulting from third-party claims (each of the foregoing, a "*Loss*", and collectively, "*Losses*"), resulting from or arising out of:

(i) any breach of any representation or warranty made by the Seller in this Agreement or any Ancillary Document;

(ii) any failure of the Seller to perform or fulfill any of its covenants, agreements or other obligations in this Agreement or any Ancillary Document;

(iii) any Excluded Liability; and

(iv) any failure of the Seller to comply with applicable bulk sales laws (in consideration of which indemnification obligation the Buyer hereby waives compliance by the Seller with any applicable bulk sales laws) or, subject to Section 5.7, any determination by any taxing authority that the transactions contemplated by this Agreement are not a bulk sale.

(v) The Holdback Amount shall be placed into escrow at Closing, in accordance with the Escrow Agreement attached as Exhibit A and Section 2 herein. Any liability of Seller for breach of any representations and warranties shall be limited to the Holdback Amount.

7.2 Indemnification by the Buyer. The Buyer shall defend, indemnify and hold harmless the Seller and its officers, directors, employees, agents, advisers, representatives, stockholders and Affiliates (collectively, the "*Seller Indemnities*") from, against and with respect to any and all Losses resulting from or arising out of:

(i) any breach in any representation or warranty made by the Buyer in this Agreement or any Ancillary Document;

(ii) any failure of the Buyer to perform or fulfill any of its covenants, agreements or other obligations in this Agreement or any Ancillary Document; and

(iii) any Assumed Liability.

7.3 Survival of Representations and Warranties, etc. The representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the completion of the transactions contemplated by the Closing, but only until 180 calendar days from the Closing Date.

7.4 De Minimis Limitation; Adjustments.

(a) The Seller shall not be required to make any indemnification payment pursuant to Section 7.1 until the total amount of all Losses incurred by the Buyer Indemnitees exceeds \$25,000 in the aggregate; provided, that if the total amount of such Losses exceeds \$25,000 in the aggregate, the Buyer Indemnitees shall be entitled to be indemnified against and compensated and reimbursed for the entire amount of such Losses, and not merely the portion of such Losses exceeding \$25,000. The Buyer shall not be required to make any indemnification payment pursuant to Section 7.2 until such time as the total amount of all Losses incurred by the Seller Indemnitees exceeds \$25,000 in the aggregate; provided, that if the total amount of such Losses exceeds \$25,000 in the aggregate, the Seller Indemnitees shall be entitled to be

indemnified against and compensated and reimbursed for the entire amount of such Losses, and not merely the portion of such Losses exceeding \$25,000.

(b) The aggregate amount the Seller shall be obligated to indemnify and hold harmless the Buyer Indemnitees pursuant to Section 7.1 for breach of any of Seller's representations and warranties shall not exceed the Holdback Amount. The aggregate amount that the Buyer shall be obligated to indemnify and hold harmless the Seller Indemnitees pursuant to Section 7.2 shall not exceed the Holdback Amount.

(c) Nothing in Section 7.4(a) or Section 7.4(b) shall limit in any way any party's remedies in respect of intentional misrepresentation or omission or fraud by the other party in connection with this Agreement and the Ancillary Documents and the transactions contemplated hereby and thereby.

(d) Except with respect to claims contemplated by Section 7.4(c), the indemnification rights provided in this Section 7 and the rights to specific performance contemplated under Section 9.1.1 are the exclusive remedies available to the parties with respect to the transactions contemplated hereby.

(e) Any party entitled to indemnification under this shall use commercially reasonable efforts to mitigate any Loss for which indemnification is sought hereunder.

7.5 Indemnification Procedures.

(a) For the purposes of this Section 7.5, the party seeking indemnification shall be known as the "*Indemnified Party*" and the party from whom indemnification is sought shall be known as the "*Indemnifying Party*".

(b) As promptly as practicable after receipt by the Indemnified Party of notice of any Loss in respect of which the Indemnifying Party may be liable under this Article VII, the Indemnified Party shall give written notice thereof (the "*Indemnification Notice*") to the Indemnifying Party. The failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its indemnification obligations under this Article VII, except to the extent such failure results in a lack of actual notice to the Indemnifying Party and the Indemnifying Party is materially prejudiced as a result of failure to receive such notice.

(c) In the case of any claim asserted by a third party (including any Governmental Authority) against any party or its Affiliates which would result in a claim under this Article VII, the Indemnified Party shall (i) notify the Indemnifying Party of such claim within 30 days of receipt of such claim (and at least 15 days prior to the expiration of the period during which the defendant may assert its defense, if such period expires earlier), and (ii) permit the Indemnifying Party, at its option and expense, to assume the defense of any such claim by counsel satisfactory to the Indemnified Party and to settle or otherwise dispose of the same; provided that if the Indemnifying Party does so take over and assume the defense, (A) the Indemnified Party may at its discretion at all times participate (at its own expense) in such defense by counsel of its own choice, and (B) the Indemnifying Party shall, at all times and to the extent reasonably possible, keep the Indemnified Party informed of the status of such claim and the proceedings related thereto. The Indemnifying Party shall not, in defense of any such claim,

except with the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld), enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff in question to the Indemnified Party and its Affiliates a release of all liabilities in respect of such claims. If the Indemnifying Party does not accept the defense of any claim within 30 days of delivery of the Indemnification Notice (or 15 days prior to the expiration of the period during which the defendant may assert its defense, if such period expires earlier), the Indemnified Party shall have the right to defend against such claim by counsel of its own choice and shall be entitled to settle or agree to pay in full such claim or demand; provided that if the Indemnified Party shall, at all times and to the maximum extent possible, keep the Indemnifying Party informed of the status of such claim and the proceedings related thereto.

7.6 Access To Information. The Buyer Indemnitees shall provide the Seller and its representatives access to the books and records of the Buyer Indemnitees, at the Seller's expense and during normal business hours and so long as it does not unreasonably interfere with the business and operations of the Buyer Indemnitees, with respect to the matter for which any payment is sought under this Section 7. Prior to being provided such access, upon the reasonable request of the Buyer, the Seller and the relevant Buyer Indemnitees shall enter into an appropriate confidentiality agreement with respect to the information to be provided to the Seller and its authorized representatives.

7.7 Treatment of Indemnity Payment. The parties agree to treat any indemnity payment made pursuant to Sections 7.1 and 7.2 as an adjustment to the Cash Amount of the Purchase Price, unless otherwise required by Applicable Law.

ARTICLE 8

DEFINITIONS

The following terms, as used in this Agreement, have the following meanings:

Affiliate: with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person. "Control" of any Person shall consist of the power to direct the management and policies of such Person (whether through the ownership of voting securities, by contract, as trustee or otherwise) and shall be deemed to exist upon the ownership of securities entitling the holder thereof to exercise more than 50% of the voting power in the election of the directors of such Person (or other persons performing similar functions).

Ancillary Documents: Schedules of the Buyer, corporate Secretary's certificates, and all other agreements, certificates and other instruments delivered or given pursuant to this Agreement.

Applicable Law: all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), rules, regulations, ordinances, codes or orders of any Governmental Authority, (ii) Governmental Approvals and (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority.

Assumed Liabilities: as defined in Section 1.2.

Buyer: as defined in the Introduction.

Buyer Indemnities: as defined in Section 7.1.

Cash Amount: as defined in Section 2.2(a).

Closing: as defined in Section 2.1.

Closing Date: the date of the Closing.

COBRA: the Consolidated Omnibus budget Reconciliation Act.

Code: the Internal Revenue Code of 1986, as amended.

Consent: any consent, approval, authorization, waiver, permit, concession, decree, license, exemption or order of, registration, declaration or filing with, or report or notice to, any Person, including any Governmental Authority.

Corporate Books and Records: the certificate of incorporation and bylaws of the Seller, including all amendments thereto; the stock records of the Seller; the minutes and other records of the meetings and other proceedings (including any actions taken by written consent or otherwise without a meeting) of the stockholders of the Seller, the board of directors of the Seller and all committees of the board of directors of the Seller; and the tax returns filed by the Seller.

ERISA: the Employee Retirement Income Security Act of 1974, as amended.

Excluded Liabilities: as defined in Section 1.3.

Excluded Seller Employees: Benjamin Battle, Christopher Fountain, Stewart Curley and Steven Sincavage.

Final Closing Date Balance Sheet: as defined in Section 5.10.

GAAP: the accounting principles and practices generally accepted from time to time in the United States.

Governmental Approval: any Consent of, with or to any Governmental Authority.

Governmental Authority: any nation or government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government (including any government authority, agency, department, board, commission or instrumentality of the United States, any State of the United States or any political subdivision thereof), and any court, tribunal or arbitrator(s) of competent jurisdiction, and any self-regulatory organization.

Holdback Amount: as defined in Section 2.2(a)

Indemnification Notice: as defined in Section 7.5(b).

Indemnified Party: as defined in Section 7.5(a).

Indemnifying Party: as defined in Section 7.5(a).

Intellectual Property Licenses: all licenses listed or described on Schedule 3.8. Such licenses are licenses pursuant to which (i) the Company or such Subsidiary permits any person or entity to use any of the Technology Business Intellectual Property, or (ii) any person or entity permits the Company or such Subsidiary to use any trademarks, service marks, trade names, copyrights, patents or other intellectual property owned by such person or entity or a third person or entity.

IRS: the Internal Revenue Service.

Lien: any mortgage, lien, pledge, charge, encumbrance, or other security interest.

Loss: as defined in Section 7.1.

Material Adverse Effect: any material adverse change to or effect on (i) the condition (financial or otherwise), properties, business or results of operations of the Technology Business or the Technology Business Assets or (ii) the ability of the Seller to consummate the transactions contemplated by this Agreement or any Ancillary Document to which it is a party or to perform its obligations hereunder or thereunder.

Permitted Liens: Liens for Taxes not yet due and payable, or which are being contested in good faith and by appropriate proceedings.

Person: any natural person, partnership, association, corporation, company, trust, limited liability company or other entity, including any Governmental Authority.

Plan: as defined in Section 1.3.

Pre-Closing Period: any taxable period (or a portion thereof) ending on or prior to the Closing Date. Taxes with respect to any period that begins on or before and ends after the Closing Date shall be allocated to the Pre-Closing Period (i) on a per diem basis in the case of real and personal property Taxes and (ii) on the basis of an interim closing of the books at the end of the Closing Date in the case of all other Taxes.

Preliminary Closing Date Balance Sheet: as defined in Section 2.2.

Purchase Price: the consideration payable by the Buyer for the Technology Business Assets set forth in Section 2.2, as adjusted therein.

Seller: as defined in the Introduction.

Seller Indemnitee: as defined in Section 7.2.

Seller's knowledge: the actual knowledge, after due inquiry, of Christopher E. Fountain, Stewart D. Curley, and Steve Sincavage.

Tax: any federal, state, provincial, local, foreign or other income, alternative, minimum, accumulated earnings, personal holding company, franchise, capital stock, net worth, capital, profits, windfall profits, gross receipts, value added, sales, use, goods and services, excise, customs duties, transfer, conveyance, mortgage, registration, stamp, documentary, recording, premium, severance, environmental (including taxes under section 59A of the Code), real property, personal property, ad valorem, intangibles, rent, occupancy, license, occupational, employment, unemployment insurance, social security, disability, workers' compensation, payroll, health care, withholding, estimated or other similar tax, duty or other governmental charge or assessment or deficiencies thereof (including all interest and penalties thereon and additions thereto whether disputed or not):

Tax Allocation Schedule: as defined in Section 2.3.

Tax Return: any return, report, declaration, form, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

Technology Business: as defined in Recital A.

Technology Business Assets: as defined in Section 1.1.

Technology Business Books and Records: all books, records, manuals and other materials (in any form or medium) of the Seller principally related to the Technology Business and the other Technology Business Assets, including advertising material, catalogues, lists of past and present customers, photographs, sales and promotional materials and records, purchasing materials and records, personnel records, manufacturing and quality control records and procedures, blueprints, research and development files, data and laboratory books, and media materials and plates; provided that the Corporate Books and Records shall not be considered part of the Technology Business Books and Records.

Technology Business Contracts: all contracts, licenses, leases, commitments and other agreements listed or described on Schedule 1.1(c).

Technology Business Employees: all of Seller's employees other than the Excluded Seller Employees.

Technology Business Equipment: all machinery, equipment, furniture, furnishings, automobiles, trucks, vehicles, cars, handling equipment, computer hardware, tools and similar property listed or described on Schedule 1.1(b).

Technology Business Intellectual Property: as defined in Section 3.8.

Transfer Taxes: as defined in Section 5.5.

Transferred Software: the software known as docQuest (also known as docQuest ES), DigitalPaper XE (also known as docQuest XE), and Intranet Docs (also known as iDocs), including: source code, object code, modifications, upgrades, derivative works, enhancements and improvements thereto; copyrights thereto; and manuals, documentation, prior releases, works-in-progress, schemas, related tools and integration tools related thereto; in each case as in existence on the Closing Date.

Transitional Services: as defined in Section 5.4(a).

Treasury Regulations: the regulations prescribed pursuant to the Code.

Virginia Court: as defined in Section 9.8.

ARTICLE 9

GENERAL PROVISIONS

9.1 Termination

(a) This Agreement may be terminated at any time prior to the Closing Date:

(i) by the written agreement of the Buyer and the Seller;

(ii) by either the Seller or the Buyer upon written notice to the other party if the Closing has not occurred prior to October 17, 2003;

(iii) by either the Seller or the Buyer upon written notice to the other party if the consummation of the transactions contemplated by this Agreement would violate, in whole or in part, any non-appealable final order, decree or judgment of any Governmental Authority having competent jurisdiction;

(iv) by the Buyer upon written notice to the Seller if any of the conditions set forth in Section 6.1 or 6.2 have not been fulfilled or waived on or prior to the Closing Date, unless such failure is due to the failure of the Buyer or the Buyer Designee to perform or comply with any of the covenants, agreements or conditions of this Agreement required to be performed or complied with by the Buyer prior to the Closing; or

(v) by the Seller upon written notice to the Buyer if any of the conditions set forth in Section 6.1 or 6.3 have not been fulfilled or waived on or prior to the Closing Date, unless such failure is due to the failure of the Seller to perform or comply with any of the covenants, agreements or conditions of this Agreement required to be performed or complied with by the Seller prior to the Closing.

(b) The following provisions shall survive any termination of this Agreement: Sections 9.5 through 9.13 (inclusive).

9.2 Expenses. Except as specifically provided in this Agreement, the Seller, on the one hand, and the Buyer and the Buyer Designee, on the other hand, shall bear their respective costs and expenses incident to this Agreement and the transactions contemplated hereby, including fees and disbursements of legal, accounting and financial advisors.

9.3 Amendments, Waivers, etc. Neither this Agreement nor any term hereof may be amended or otherwise modified other than by an instrument in writing signed by the Buyer and the Seller. No provision of this Agreement may be waived, discharged or terminated other than by an instrument in writing signed by the party against whom the enforcement of such waiver, discharge or termination is sought.

9.4 Assignment; No Third Party Beneficiaries.

(a) Except as contemplated by Section 9.4(c), this Agreement shall not be assignable or otherwise transferable by a party without the prior consent of the other party, and any attempt to assign or otherwise transfer this Agreement without such consent shall be void and of no effect.

(b) This Agreement shall be binding upon the respective heirs, successors, legal representatives and permitted assigns of the parties hereto. Except as contemplated by Section 9.4(c), nothing in this Agreement shall be construed as giving any Person, other than the parties hereto and their heirs, successors, legal representatives and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any provision hereof.

(c) The Buyer, may, by written notice to the Sellers no later than one day prior to the Closing Date, designate any direct or indirect wholly-owned Subsidiaries of the Buyer organized under the laws of any state of the United States as the Persons to whom all or any portion of the Technology Business Assets are to be transferred at the Closing. No such designation shall affect any of the rights, obligations or liabilities of the Buyer under this Agreement, and the Buyer shall be jointly and severally liable with all such designees for the performance of all of the Buyer's obligations under this Agreement.

9.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard to the conflict of laws principles or rules thereof.

9.6 Notice of Termination. Any termination of this Agreement under Section 9.1 will be effective by the delivery of written notice (in accordance with the provisions of Section 9.9) by the terminating party to the other parties hereto.

9.7 Effect of Termination. In the case of any termination of this Agreement as provided in this Section 9.1, except as provided in Section 9.1(b) above, all further obligations of the parties under this Agreement shall terminate.

9.8 Jurisdiction; Waiver of Jury Trial.

(a) Each of the parties hereto irrevocably and unconditionally (i) agrees that any legal suit, action or proceeding brought by any party hereto arising out of or based upon this

Agreement or the transactions contemplated hereby may be brought in the United States District Court for the Eastern District of Virginia or in the Circuit Court for Fairfax County, Virginia (a "Virginia Court"), (ii) waives, to the fullest extent it may effectively do so, any objection which it may now or hereafter have to the laying of venue of any such proceeding brought in any Virginia Court, and any claim that any such action or proceeding brought in any Virginia Court has been brought in an inconvenient forum, (iii) submits to the non-exclusive jurisdiction of Virginia Courts in any suit, action or proceeding, and (iv) agrees that the losing party shall pay to the prevailing party the attorneys' fees and expenses incurred by the prevailing party in such action. Each of the parties agrees that a judgment in any suit, action or proceeding brought in a Virginia Court shall be conclusive and binding upon it and may be enforced in any other courts to whose jurisdiction it is or may be subject, by suit upon such judgment.

(b) Each of the parties agrees and acknowledges that any controversy that may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each such party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any litigation directly or indirectly arising out of or relating to this Agreement, or the breach, termination or validity of this Agreement.

9.9 Notices. All notices, consents, requests, instructions, approvals and other communications provided for in this Agreement shall be in writing and shall be deemed validly given (i) on the date of delivery if delivered personally, or by telecopy (so long as for notices or other communications sent by telecopy, the transmitting machine records electronic confirmation of due transmission or the recipient acknowledges due receipt), or (ii) on the first business day following the date of dispatch if delivered by a nationally-recognized overnight courier service, at the following address or telecopy number, or at such other address or telecopy number as a party may designate to the other party:

(a) if to the Buyer, at:

ePlus Capital, Inc.
400 Herndon Parkway
Suite B
Herndon, Virginia 20170
Telecopy: 703-834-5618
Attention: Kley Parkhurst

with a copy to:

Geltner & Associates
Number Ten E Street, S.E.
Washington, D.C. 20003
Telecopy: 1-202-547-1138
Attention: Michael E. Geltner

(b) if to the Seller, at:

Digital Paper Corporation

Attention: Secretary
201 N. Union Street, Suite 140
Alexandria, VA 22314

with a copy to:

Mark Spoto, Esq.
Cooley Godward LLP
One Freedom Square
Reston Town Center
11951 Freedom Drive
Reston, VA 20190
Telecopy: (703) 456-8100

9.10 Remedies. No failure or delay by any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided herein shall be cumulative and not exclusive of any rights or remedies provided by law.

9.11 Specific Performance. Each of the parties hereto acknowledges that there may be no adequate remedy at law for the failure by such party to comply with the provisions of this Agreement and that such failure would cause immediate harm that would not be adequately compensable in damages. Accordingly, each of the parties hereto agrees that its agreement contained herein may be specifically enforced without the requirement of posting a bond or other security, in addition to all other remedies available to the parties hereto under this Agreement.

9.12 Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to this Agreement to the extent possible. In any event, the invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

9.13 Integration. This Agreement, including the Schedules hereto, and the Ancillary Documents constitute the full and entire understanding and agreement of the parties with respect to the subject matter hereof and thereof and supersede any and all prior agreements or understandings relating to the subject matter hereof.

9.14 Section Headings. The section headings of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

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

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

EPLUS CAPITAL, INC.

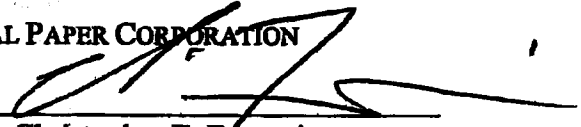


By: _____

Name: **Kleyton L. Parkhurst**

Title: **President, Asst. Secretary, and Treasurer**

DIGITAL PAPER CORPORATION



By: _____

Name: **Christopher E. Fountain**

Title: **President and Chief Executive Officer**

SCHEDULES AND EXHIBITS

Schedule 1.1(b): Technology Business Equipment

Schedule 1.1(c): Technology Business Contracts

Schedule 1.4: Assumed Liabilities (including Preliminary Closing Date Balance Sheet and details)

Schedule 3.2: Consents/Conflicts

Schedule 3.3: Required Governmental Approvals and Consents

Schedule 3.4: Compliance with Law

Schedule 3.8(a): Technology Business Intellectual Property

Schedule 3.9: Seller Plans

Exhibit A: Form of Escrow Agreement

Exhibit B: Form of Opinion of Special Counsel to the Seller

Notices:

Snowbound: RasterMaster Platinum License Agreement-Server Processing between Digital Paper and Snowbound Software

Schedule 3.3: Required Governmental Approvals and Consents

Consents:

Letterkenny Army Depot – Solicitation/Contract/Order for Commercial Items
Ohio Department of Transportation – Digital Paper Software License Agreement

Schedule 3.4: Compliance with Law

None

Schedule 3.8(a): Technology Business Intellectual Property

(I) Patent & Trademarks

Patents

Patent Report by Invention

COUNTRY	REFERENCE#	TYP	FILED	SERIAL#	ISSUED	PATENT	STATUS
	<i>Next Action Due</i>						
NETWORK IMAGE VIEW SERVER							
Inventors Cecil V. Hombaker, III; John C. Cronin							
UNITED STATES	1182-P-99	NEW	2/12/1997	60/037,702			PENDING
UNITED STATES	1182-R-99	FCA	2/12/1998	09/022.665	1/30/2001	6.182.127	ISSUED
	7/30/2004	1ST MAINT FEE DUE					

NETWORK IMAGE VIEW SERVER USING EFFICIENT CLIENT-SERVER TILING AND CACHING ARCHITECTURE

COUNTRY	REFERENCE#	TYP	FILED	SERIAL#	ISSUED	PATENT	STATUS
Inventors Cecil V. Hombaker, III; John C. Cronin							
BRAZIL	1182-PCT-BR-99	DCA	2/12/1998	P19815329-3			PENDING
	2/12/2004	ANNUITY DUE (7th)					
CANADA	1182-PCT-CA-99	DCA	2/12/1998	2,327,667			PENDING
	2/12/2004	ANNUITY DUE					
CHINA	1182-PCT-CN-99	DCA	2/12/1998	98813575.2			PENDING
	9/18/2003	RESPONSE TO OA					
EUROPEAN PATENT	1182 PCT EP 99	DCA	2/12/1998	98006484.5			PENDING
	2/12/2004	ANNUITY DUE					
HONG KONG	1182-PCT-HK-99	DCA	2/12/1998	01105799.1			PENDING
	2/12/2007	ANNUITY DUE					
ISRAEL	1182-PCT-IL-99	DCA	2/12/1998	137815			PENDING
	2/12/2004	ANNUITY DUE					
INDIA	1182-PCT-IN-99	DCA	2/12/1998	N/A			ABANDONED
JAPAN	1182-PCT-JP-99	DCA	2/12/1998	2000-531791			PENDING
	2/12/2005	REQUEST EXAMINATION					

MEXICO	1182-PCT-MX-99	DCA	2/12/1998	007868	PENDING
WIPO	1182-PCT-99	NEW	2/12/1998	PCT/US98/03017	PENDING

Title: "Network Image View Server Using Efficient Client-Server, Tiling and Caching Architecture"

U.S. Patent 6,182,127 filed on February 12, 1998, issued on January 30, 2001;

U.S. Patent 6,510,459 filed on January 29, 2001, issued on January 21, 2003;

Application serial number 10/346,359, continuation application of U.S. Patent 6,510,459, filed on January 17, 2003, pending;

Title: "A System and Process for Network Collaboration Through Embedded Annotation and Rendering Instructions"

Application serial number 09/804,074, filed on March 13, 2001, published, pending;

PCT Application PCT/US02/07524 filed on March 13, 2001, published, pending;

Canadian application filed on September 12, 2003, pending.

Trademarks

Trademark Report by Mark

COUNTRY	REFERENCE#	FILED	APPL#	REGDT	REG#	Printed: 9/15/2003 STATUS	Page 1 CLASSES
	<i>Next Action Due</i>						
DIGITAL PAPER							
UNITED STATES	0193292-0003/11US	2/1/2001	76/203,693	6/18/2002	2,581,570	REGISTERE	38
	<i>6/18/2007 Use Aff 12 Mo Remind</i>						
38 -							
 DIRECTSIGHT							
UNITED STATES	0193292-0003/12US	7/18/2002	76/432,611			PENDING	42
	<i>2/5/2004 Status Chk Reg Cert</i>						
42 -							
DOCPAK							
UNITED STATES	0193292-0003/08US	3/13/2000	75/942,284	8/8/2002	2,605,425	REGISTERE	38
	<i>8/8/2007 Use Aff 12 Mo Remind</i>						
38 -							
INTERNETDOCS							
UNITED STATES	0193292-0003/04US	12/9/1997	75/402,395			PENDING	9
9 -							
SIMPLY FASTER							
UNITED STATES	0193292-0003/00US	3/13/2000	75/942,427	8/8/2002	2,605,426	REGISTERE	38
	<i>8/8/2007 Use Aff 12 Mo Remind</i>						
38 -							
VIEWMARK							
UNITED STATES	0193292-0003/09US	1/17/2001	76/195,010	8/8/2002	2,604,025	REGISTERE	38
	<i>8/8/2007 Use Aff 12 Mo Remind</i>						
38 -							

END OF REPORT

TOTAL ITEMS SELECTED 6

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3xwe031.DOC