

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Uniflex, Inc.		12/16/2004	CORPORATION: DELAWARE

<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	Uniflex Holdings, Inc.
<b>Street Address:</b>	383 West John Street
<b>City:</b>	Hicksville
<b>State/Country:</b>	NEW YORK
<b>Postal Code:</b>	11802
<b>Entity Type:</b>	CORPORATION: DELAWARE

**PROPERTY NUMBERS Total: 22**

Property Type	Number	Word Mark
Registration Number:	0961816	UF
Registration Number:	1031460	TEXTURE-FLEX
Serial Number:	73150413	UNIFLEX
Serial Number:	73337648	UNI-BOX
Serial Number:	73400307	SPECIAL AIRTUFF
Serial Number:	73572483	TRI-FLEX
Serial Number:	73572484	JET POUCH
Serial Number:	73730130	PRESS AND CLOSE
Serial Number:	73803793	SPECI-GARD
Serial Number:	74005091	SLIP-FREE
Serial Number:	74175251	PROTEX-RAY
Serial Number:	74514116	UNIVault
Serial Number:	74514117	ECONOVault
Serial Number:	74690725	MICRO-TEX

**CH \$565.00 0961816**

Serial Number:	74632575	ULTRAVault
Serial Number:	74526407	UNIVault
Serial Number:	74502978	UNIFLEX
Serial Number:	75041527	BAGVERTISING
Serial Number:	75063256	UF LINE
Serial Number:	75042179	THE BAGVERTISING COMPANY
Serial Number:	74502977	UNIFLEX
Serial Number:	78499643	COTE ASSOCIATES

**CORRESPONDENCE DATA**

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ATTORNEY DOCKET NUMBER:	50106.0013 UNIFLEX
NAME OF SUBMITTER:	Christina London
Signature:	/christina london/
Date:	12/06/2006

**Total Attachments: 26**

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ASSET PURCHASE AGREEMENT

by and between

UNIFLEX HOLDINGS, INC.

and

UNIFLEX, INC.

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## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is entered into this 16th day of December 2004 (the "Effective Date") by and between Uniflex Holdings, Inc., a Delaware corporation ("Buyer"), and Uniflex, Inc., a Delaware corporation ("Seller").

WHEREAS, Seller designs, manufactures, sources and markets a broad line of customized plastic, paper and non-woven bags for sales and advertising promotions; clear bags for apparel and soft goods packaging; specimen transport bags and other healthcare related packaging for use in hospitals, medical laboratories and emergency care centers; retail bags and portfolios for college and university bookstores; and tamper evident security bags for the safe transport of hard and soft currency (the "Business");

WHEREAS, Seller has filed a voluntary petition for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code (the "Bankruptcy Code") in the U.S. Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") as Case No. 04-11852-MFW (the "Case"). The Case is currently pending before the Bankruptcy Court; and

WHEREAS, subject to the terms and conditions of this Agreement and pursuant to Sections 363 and 365 of the Bankruptcy Code and the applicable Federal Rules of Bankruptcy Procedure, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, substantially all of the assets of Seller;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties intending to be legally bound agree as follows:

1. **Certain Definitions.** Certain capitalized terms used herein are defined in this Section 1. Other capitalized terms are defined elsewhere in this Agreement.

1.1 **"Accounts Receivable"** means all accounts receivable of the Seller and the full benefit of all security for such accounts and any claim, remedy or other right related thereto.

1.2 **"Avoidance Actions"** means all claims or causes of action of the Seller pursuant to 11 U.S.C. §§ 502(d), 544, 545, 547, 548, 549, 550, 551, or 553.

1.3 **"Encumbrances"** means liens, claims and encumbrances including, but not limited to, security interests, contracts, rights, options, mortgages, encumbrances, conditional sale or other title retention agreements, pledges, judgments, demands, easements, encroachments, restrictions, charges, liabilities and debts.

1.4 **"Final Order"** means an order as to which all applicable time periods for the filing of an appeal have elapsed and as to which no appeal or procedure on remand remains pending.

1.5 **"Contractual Rights"** means all right and interest of Seller in and to employee receivables, contracts, agreements, distributorship and other manufacture representative agreements, leases, commitments, licenses and sales orders (hereinafter referred to as the "Contracts"), product warranty and service agreements relating to the Business and in effect on the Closing Date, and, to the extent that there are obligations of Seller remaining on purchase orders that

comprise part of the Contracts that can be expressed in dollar amounts, the dollar amount shall be noted on the Contract Schedule at Closing.

1.6 "Intellectual Property" means all of the following that belong to or are licensed by Seller anywhere in the world, together with all goodwill associated with each of the following: (i) patents, patent applications, patent disclosures, registrations, continuations in part, divisional applications or analogous rights or license rights therefore, (ii) industrial designs, trademarks, service marks, trade dress, logos, slogans trade names, brand names, and business names (and all translations, adaptations, derivations and combinations of the foregoing) and Internet domain names, (iii) copyrights and copyrightable works, (iv) mask works, (v) registrations and applications for registration of any of the foregoing, (vi) computer software (including, without limitation, source code, executable code, data, databases and documentation), (vii) trade secrets, confidential information, know-how and inventions, (viii) corporate name, and (ix) all other intellectual property of any nature or form whatsoever.

1.7 "Inventory" means all inventory of Seller, wherever located (including all raw materials, packaging materials, manufactured or purchased parts, work in process, finished goods, goods in transit, consigned goods and returned goods and all other materials and supplies on hand to be used or consumed or which might be used or consumed in connection with the Business).

1.8 "Knowledge" means with respect to a Person the actual conscious knowledge of such Person (which includes the actual conscious knowledge of all officers, directors and executive employees of such Person) based on historical operations of the Business and without investigation with respect particular matter in question.

1.9 "Person" means an individual, a partnership, a corporation, an association, a limited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization, a governmental entity or any department, agency or political subdivision thereof or any other entity.

1.10 "Post-Closing Assigned Contracts" means those Contracts that were not Assigned Contracts as of the Closing Date that on the earlier of (a) 90 days following the Closing Date, or (b) ten days before the date scheduled for confirmation of the Seller's plan of reorganization under the Case, Buyer requests Seller to assume and assign in accordance with the Bankruptcy Code in connection with the Case.

1.11 "Records" means, collectively, with respect to Seller, (i) any and all procedure manuals, books, records and accounts; (ii) all invoices and commission reports; (iii) customer lists and mailing lists (whether partial and/or complete); (iv) data layouts, including magnetic tape layouts, diskette layouts, etc.; (v) promotional letters, brochures and advertising materials; (vi) displays and display materials; (vii) processor notes or information; (viii) correspondence and old or current proposals to any former, present or prospective customer; (ix) information concerning gross sales and profitability and any other measurements of a business's financial condition; (x) data, account information or other similar matters furnished by or concerning customers; and (xi) all copies of any of the foregoing data, documents or devices in any form, including carbon copies, photo copies, copies of floppy disks, diskettes, tapes, cassettes or any other form whatsoever.

1.12 "Tangible Personal Property" means all tools, machinery, molds, dies, furniture, cubicle walls, fixtures, tables, trade fixtures, shelving of all types (irrespective of how



attached or immobilized), equipment (including, without limitation, all production equipment, testing equipment, office equipment, transportation equipment and vehicles), leasehold improvements, portable trailers, sheds and office structures, computers and related software, spare and replacement parts, office supplies, production supplies, spare parts, other miscellaneous supplies and other tangible property of any kind owned or leased by Seller, wherever located.

2. Purchase and Sale of Assets.

2.1 Transfer of Assets. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing (defined in Section 2.8) Seller shall transfer to Buyer free and clear of all Encumbrances, all right, title and interest of Seller in and to all of the undertaking, operations, rights, properties, interests and other assets of every kind and nature (whether tangible or intangible, absolute or contingent, real or personal, wherever located, and by whomsoever possessed) which are owned, licensed or leased by Seller and its subsidiaries and used or intended for use in connection with the operation or conduct of the Business, other than those assets (the "Excluded Assets") identified in Section 2.2 below, (collectively, the "Purchased Assets"), including, without limitation, the following:

2.1.1 all Records (including, without limitation, customer lists, mailing lists, customer correspondence and customer telephone numbers) relating to the Business;

2.1.2 all rights and interests under all Contractual Rights with respect to the Business;

2.1.3 all Intellectual Property, the goodwill associated therewith, licenses and sublicenses granted and obtained with respect thereto, together with all income, royalties, damages and payments due or payable at the Closing or thereafter (including, without limitation, damages and payments for past or future infringements or misappropriations thereof), the right to sue and recover for past infringements or misappropriations thereof, and any and all corresponding rights that, now or hereafter, may be secured throughout the world and all copies and tangible embodiments of any such Intellectual Property;

2.1.4 all Accounts Receivable and those other notes and other amounts receivable, whether current or non-current, arising in connection with the Business;

2.1.5 cash, or cash equivalents, of Seller whether on hand, in bank accounts or in transit, except for any cash paid by Buyer to Seller at Closing;

2.1.6 any security deposits of Seller in connection with operation of the Business, including, without limitation, security deposits with utilities, any prepaid expenses, claims for refunds and any rights to offset in respect thereof;

2.1.7 all rights to reimbursement and proceeds of insurance in respect of Purchased Assets that are damaged or destroyed in whole or in part after the date hereof and on or before the Closing Date;

2.1.8 all rights and interests under all agreements, contracts, purchase orders, Contractual Rights and other similar arrangements;

2.1.9 all rights and interests of Seller under the leases for the real property leased by Seller (including, without limitation, those identified on Schedule 2.1.9), including but not limited to any security deposits under such leases, and any tenant improvements that are the property of Seller under such leases;

2.1.10 all claims, refunds, credits, causes of action, choses in action, rights of recovery, rights of set off and rights of recoupment of any kind, whether known or unknown, relating to the Business;

2.1.11 the goodwill of the Business, including the exclusive right of Buyer to (i) the use of the name "Uniflex" and all derivations thereof, (ii) represent itself as carrying on the Business in continuation of and in succession to Seller, and (iii) use any words indicating that the Business is so carried on, together with the rights, if any, to websites, telephone and facsimile numbers used in the United States or elsewhere in connection with the Business, to the extent transferable;

2.1.12 all rights to receive mail, telephone calls and other communications addressed to or directed at Seller (including mail, telephone calls and other communications from customers, suppliers, distributors, agents and others) and payments relating to the Purchased Assets;

2.1.13 all ad-copy, drawings, specifications, advertising and promotional materials, studies, reports and other printed or written materials relating to, associated with or used by Seller in connection with the ownership or operation of the Business;

2.1.14 all Tangible Personal Property (including all such items which are located in any building, warehouse, office or other space leased, owned or occupied by Seller in connection with the Business);

2.1.15 all Inventory;

2.1.16 the full benefit of all warranties and warranty rights which apply to any of the Purchased Assets to the extent assignable.

2.1.17 all capital stock of Seller's subsidiaries.

2.2 Excluded Assets. Notwithstanding anything to the contrary contained in this Agreement, Excluded Assets shall include the following:

2.2.1 all capital stock of Seller;

2.2.2 all rights and interests of Seller under this Agreement;

2.2.3 all claims of Seller against its officers, directors and shareholders, and all related insurance claims;

2.2.4 All claims of Seller under Avoidance Actions;

2.2.5 the corporate seal, minute books, stock books and other Records relating to Seller's general corporate affairs, and Seller's original general ledgers, tax returns and financial statements, provided that Buyer shall be provided with copies of same;

2.2.6 Claims of Seller of every kind and nature, to the extent relating to Excluded Assets, including Claims to refunds, recoveries and offsets;

2.2.7 the right to receive mail and other communications addressed to Seller relating to any of the Excluded Assets or the Excluded Liabilities or otherwise relating to matters in which Buyer has no ongoing interest;

2.2.8 All rights, interests and claims of the Seller in life insurance policies or their proceeds; and

2.2.9 The Cash portion of the Purchase Price.

2.3 Consideration for the Purchased Assets.

2.3.1 In consideration for the transfer of the Purchased Assets, upon the terms and subject to the conditions set forth in this Agreement, on the Closing Date (as defined in Section 2.8 hereof), Buyer shall pay to Seller Six Million Dollars (\$6,000,000), of which \$1,274,000 shall be cash and \$4,726,000 shall be a credit bid (the "Purchase Price"). The payment of the cash portion of the Purchase Price required hereunder shall be made by wire transfer of immediately available funds pursuant to wire instructions provided by Seller to Buyer or by bank check as mutually agreed to by the parties.

2.3.2 Concurrently with the execution of this Agreement, the Buyer shall transfer to Dilworth Paxson LLP, as escrow agent (the "Escrow Agent"), the amount of \$600,000 (the "Deposit"). The Deposit shall be held by the Escrow Agent subject to the terms and conditions set forth in this Agreement, and shall be transferred by the Escrow Agent to Seller if Closing is completed and shall be treated as payment on account of the Purchase Price if Closing is completed. If Closing is not completed, then upon cancellation of this Agreement, the Deposit shall be paid to the party entitled to receive it under this Agreement. The Deposit shall be held in a non-interest-bearing account. At the Closing, the cash component of the Purchase Price, minus the Deposit, shall be paid to the Seller.

2.4 Work Force. Buyer shall have the right, but not the obligation, to evaluate and hire or employ all current employees of Seller.

2.5 Further Assurances. At any time and from time to time after the Closing Date, at the request of Buyer and without further consideration, Seller will execute and deliver such other instruments of sale, transfer, conveyance, assignment and confirmation as may be reasonably requested in order to more effectively transfer, convey and assign to Buyer and to confirm Buyer's title to the Purchased Assets.

2.6 Assumption of Liabilities. Buyer shall not assume or be responsible for any liabilities, debts or obligations of Seller of any kind or nature except that Buyer shall assume, satisfy, pay and/or and reimburse Seller for:

2.6.1 the expense of Seller's accrued and/or outstanding payroll and benefits (and related payroll related taxes) for the current payroll period as of the Closing Date,

2.6.2 earned and accrued vacation, sick, and holiday pay for employees of Seller, including employees hired by Buyer, for any period ending on or prior to the Closing Date;

2.6.3 workers' compensation for employees of Seller for occurrences on or prior to the Closing Date;

2.6.4 obligations of Seller under the Assigned Contracts, as described below in Section 2.9, which accrue, arise or relate solely to the period following the Closing.

2.6.5 post petition accounts payable of the Seller arising in the ordinary course of the Seller's business on or before the Closing Date.

2.7 Allocation of Purchase Price. The Purchase Price shall be allocated among the Purchased Assets at the Closing as the parties shall reasonably agree and both parties shall prepare their respective tax returns consistent with such allocation.

2.8 Closing. Subject to the satisfaction or waiver of each of the conditions set forth herein, the closing of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Dilworth Paxson LLP, 3200 Mellon Bank Center, 1735 Market Street, Philadelphia, PA 19103-7595, at 10 o'clock a.m., on the third (3<sup>rd</sup>) business day after an order of the Bankruptcy Court approving the sale of the Purchased Assets (a "Sale Order") is entered on the docket in the Case, or such other location, date and time as may be agreed upon by the parties (such date and time being called the "Closing Date"). At the Closing:

2.8.1 Seller shall deliver or cause to be delivered to Buyer the following:

- (a) The Bill of Sale in form and substance reasonably satisfactory to Buyer and Seller transferring the Purchased Assets to Buyer and the assignments of the Assigned Contracts referenced in Section 2.9 below, together with the Contracts Schedule;
- (b) The closing documents required under Section 7 hereof;
- (c) A copy of the resolutions of Seller certified by its Secretary, authorizing and approving the execution, delivery and performance of this Agreement and the transactions contemplated hereby and the acts of the officers and employees of Seller in carrying out the terms and provisions hereof;
- (d) All Records relating to the Purchased Assets; and
- (e) The Purchased Assets, where located.

2.8.2 Buyer shall deliver or cause to be delivered to Seller the following:

- (a) The Purchase Price;
- (b) The closing documents referenced in Section 8; and
- (c) A copy of the resolutions of Buyer certified by its Secretary, authorizing and approving the execution, delivery and performance of this Agreement and the

transactions contemplated hereby and the acts of the officers and employees of Buyer in carrying out the terms and provisions hereof.

2.8.3 The parties shall deliver such further documents, resolutions, certificates and instruments as any party or its counsel reasonably requests to facilitate the consummation of the transactions contemplated hereby.

2.9 Assigned Contracts. The Sale Order (as defined in Section 9.2 below) shall provide for the assumption by Seller and the assignment to Buyer of all Contracts that are designated by Buyer in its sole discretion by the earlier of (a) 90 days from the Closing or (b) ten days prior to the date scheduled for confirmation of the plan of reorganization of Seller as assigned contracts (the "Assigned Contracts") and shall identify all amounts that are necessary to cure any pre-Closing defaults by Seller on all Assigned Contracts. Seller shall be liable and Buyer shall have no liability for all amounts that are necessary to cure any pre-Closing defaults by Seller on all Assigned Contracts and any other amounts due on the Assigned Contracts prior to the Closing. On a date no later than one (1) business day before any hearing on the Sale Motion, Buyer shall indicate to Seller in writing which of the Contracts it does not wish to have assigned to Buyer (the "Rejected Contracts"). Except as set forth below in this Section 2.9 with respect to Post-Closing Assigned Contracts, Buyer shall have no liability of any kind or nature with respect to such Rejected Contracts or with respect to pre-closing defaults on any other Contract that is not an Assigned Contract. The Sale Order shall also permit the assumption by Seller and the assignment to Buyer of all Post-Closing Assigned Contracts. Seller shall be liable and Buyer shall have no liability for all amounts that are necessary to cure any pre-Closing defaults by Seller on all Post-Closing Assigned Contracts and any other amounts due on the Post-Closing Assigned Contracts with respect to the period prior to the Closing. Seller shall have no liability for any amounts that are necessary to cure any post-Closing defaults or any other amounts arising after the Closing with respect to the period following the Closing on all post-Closing Assigned Contracts. Buyer shall be liable for any post-Closing administrative claims incurred by the Seller through the date that is ninety (90) days following the Closing with respect to any Contracts which are not designated by the Buyer as either Assigned Contracts or Rejected Contracts by one (1) business day before any hearing on the Sale Motion. Buyer shall make such payment separately from payment of the Purchase Price, within 10 days of demand therefor by the Seller. The assignment of the Assigned Contracts and Post-Closing Assigned Contracts shall be made pursuant to the assignment agreement in form and substance reasonably acceptable to Seller and Buyer. The contracts and leases designated on Schedule 2.9.1 shall be assumed by the Seller and assigned to the Buyer at Closing. The contracts and leases designated on Schedule 2.9.2 shall be rejected by the Seller.

2.10 Pro-ration of Certain Items.

2.10.1 All personal property taxes, assessments and *ad valorem* taxes, Seller's prepaid expenses, and other customarily *pro rata* items relating to the Purchased Assets payable subsequent to the Closing Date and relating to a period of time both prior to and subsequent to the Closing Date, will be pro rated as of the Closing Date between Buyer and Seller and, as applicable, will be deducted from or added to the amount to be paid by Buyer at Closing. If the actual amount of any such item is not known as of the Closing Date, the aforesaid proration shall be based on the previous year's assessment of such item and the parties agree to adjust such pro-ration and pay any underpayment or reimburse for any overpayment as promptly as possible following the Closing Date.

2.10.2 Any and all transfer and sales taxes payable with respect to the transfer of the Purchased Assets and all other taxes arising from the sale and transfer of the Purchased Assets, if any, shall be paid by the party who is obligated by the applicable law to pay such taxes.

3. Representations and Warranties of Seller. As a material inducement to Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, Seller hereby represents and warrants to Buyer that the following statements are true and correct as of the Effective Date:

3.1 Organization and Qualification. Seller is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and is duly licensed or qualified to transact business as a foreign corporation and is in good standing in each jurisdiction listed on Schedule 3.1, such jurisdictions being the only jurisdictions in which the nature of the Business or the character of the properties owned or leased by Seller requires such licensing or qualification, except in those jurisdictions wherein the failure to be so qualified would not reasonably be likely to have a material adverse effect on the Business or have been stayed or cured as a result of the Case. Other than as listed on Schedule 3.1, Seller has no subsidiaries and owns no capital stock or equity interest in any other entity.

3.2 Corporate Power and Authority. Seller has the corporate power and authority to own and hold its properties and to carry on the Business. Seller has the corporate power and authority to execute, deliver and perform this Agreement and the other documents and instruments contemplated hereby. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the transactions contemplated hereby and thereby have been duly authorized and approved by Seller. This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by Seller have been duly executed and delivered by, and constitute the legal, valid and binding obligation of, Seller enforceable against Seller in accordance with their terms.

3.3 Validity, etc. Neither the execution and delivery of this Agreement and the other documents and instruments contemplated hereby, the consummation of the transactions contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will (i) violate, conflict with or result in any breach of any certificate of incorporation, bylaw, judgment, decree, order, statute or regulation applicable to Seller, (ii) require any consent, approval, authorization or permit of, or filing with or notification to, any governmental or regulatory authority, except for the Bankruptcy Court approvals referenced in Section 9 hereof, (iii) violate, conflict with or result in a breach, default or termination or give rise to any right of termination, cancellation or acceleration of payment or performance under any of the Assigned Contracts related to Seller's ability to consummate the transactions contemplated hereby, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained in writing and provided to Buyer, (iv) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Seller or (v) result in the creation of any Encumbrance upon the Purchased Assets.

3.4 Tangible Properties. Schedule 3.4 contains a true and correct list in all material respects of all material items of tangible personal property owned by or leased to Seller (the "Tangible Personal Property"). Seller has good and marketable title to the Tangible Personal Property listed as owned by Seller free and clear of all Encumbrances, other than Encumbrances of record that will be

discharged in connection with the Closing. With respect to Tangible Personal Property which are subject to Assigned Contracts, to the knowledge of Seller such Assigned Contracts are valid and in full force and effect, and there is not any existing default or event of default or event which with notice or lapse of time or both would constitute such a default that has not been waived, stayed or cured, or will be waived, stayed or cured on and as of the Closing Date as provided in Section 2.9.

3.5 Leased Premises. Schedule 2.1.9 sets forth a true and correct list and description of the real property leased by Seller and used in the Business and Seller has no other leases for real property and owns no real property.

3.6 Outstanding Commitments. Seller has delivered or made available to Buyer true and correct copies of all of the Contracts that are in writing, and Schedule 3.6 contains a true and correct list and description of all Contracts and Contractual Rights, whether written or oral. When assumed and when Cure Amounts with respect thereto are paid or provided for, all of the Assigned Contracts will be in full force and effect. To the knowledge of Seller, Seller and each other party thereto have performed all the obligations required to be performed by them to date, have received no notice of default and are not in default (with due notice or lapse of time or both) under any Assigned Contract that has not been waived, stayed or cured, or will be waived, stayed or cured on and as of the Closing Date (i.e., when such Assigned Contracts are assumed and when Cure Amounts with respect thereto are paid or provided for). Seller has no knowledge of any breach or anticipated breach by the other party to any Assigned Contract. Seller has no knowledge of any intention or right of any party to default another party to any such Assigned Contract.

3.7 Intellectual Property. Schedule 3.7 sets forth a list of all Seller's Intellectual Property owned, controlled or used by Seller (other than Intellectual Property of Seller's clients or customer that is used by Seller in connection with producing items or products for such clients and customers), together in each case with a brief description of the nature of such right and any litigation pending with respect to such Intellectual Property. To the knowledge of Seller, all patents and trademarks listed in Schedule 3.7 are valid and in full force and all applications listed therein as pending have been prosecuted in good faith as required by law and are in good standing. To the knowledge of Seller, there has been no infringement by Seller or its affiliates with respect to any Intellectual Property rights of others. To the knowledge of Seller, Seller owns or possesses adequate licenses or other rights to use all Intellectual Property necessary to conduct the Business as conducted. Seller is not in default under any such license, contract or other agreement and there are no defaults by any other party to any such license, contract or other agreement to Seller's knowledge.

4. Representations and Warranties of Buyer. Buyer represents and warrants to Seller that the following statements are true and correct as of the Effective Date:

4.1 Organization. Buyer is duly formed and validly existing and in good standing under the laws of the State of Delaware and is duly qualified to transact business as a foreign company in each jurisdiction in which the failure to so qualify would have an adverse impact on Buyer's ability to purchase the Purchased Assets.

4.2 Buyer Power and Authority. Buyer has the power and authority to execute, deliver and perform this Agreement and the other documents and instruments contemplated hereby. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the transactions contemplated hereby and thereby have been duly authorized and approved by Buyer. This Agreement, and each of the other agreements, documents

and instruments to be executed and delivered by Buyer have been duly executed and delivered by, and constitute the valid and binding obligation of Buyer enforceable against Buyer in accordance with their terms.

4.3 Validity, etc. Neither the execution and delivery of this Agreement and the other documents and instruments contemplated hereby, the consummation of the transactions contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will (i) conflict with or result in any breach of any trust agreement, organic organizational document, judgment, decree, order, statute or regulation applicable to Buyer, (ii) require any consent, approval, authorization or permit of, or filing with or notification to, any governmental or regulatory authority except from the Bankruptcy Court in the Case, (iii) result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any law, rule or regulation or any judgment, decree, order, governmental permit, license or order or any of the terms, conditions or provisions of any mortgage, indenture, note, license, agreement or other instrument to which Buyer is a party, or (v) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Buyer.

4.4 No Violation of Laws or Contracts. Neither the execution and performance of this Agreement or the other agreements executed by Buyer in accordance with the terms hereof, nor the consummation of the transactions contemplated hereby and thereby, will violate any provisions of law, any order of any court or other agency or government, or any ordinance, indenture or agreement to which Buyer is a party which would materially impair Buyer's ability to consummate the transactions contemplated hereby.

4.5 Buyer Acknowledgment.

4.5.1 BUYER ACKNOWLEDGES AND AGREES THAT THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT SHALL BE WITHOUT REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS SPECIFICALLY SET FORTH IN SECTION 3 OR IN ANY CERTIFICATES OR OTHER DOCUMENTS DELIVERED IN CONNECTION HERewith AT THE CLOSING.

4.5.2 WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS SO SPECIFICALLY SET FORTH, SELLER HAS NOT MADE, AND SELLER SHALL NOT BE DEEMED TO HAVE MADE, ANY REPRESENTATION OR WARRANTY IN ANY OTHER VERBAL OR WRITTEN COMMUNICATION OR WRITTEN DOCUMENT RELATING TO THE PURCHASED ASSETS OR THE BUSINESS INCLUDING, BUT NOT LIMITED TO, ANY OFFERING MEMORANDUM, INFORMATION MEMORANDUM OR SIMILAR DOCUMENT, WHETHER PREPARED OR TRANSMITTED BY SELLER OR ANY REPRESENTATIVE OF SELLER (SUCH OTHER VERBAL OR WRITTEN COMMUNICATIONS OR WRITTEN DOCUMENTS ARE REFERRED TO COLLECTIVELY AS THE "COMMUNICATIONS").

4.5.3 NO COST ESTIMATE, PROJECTIONS OR OTHER PREDICTIONS, DATA OR OTHER STATEMENT CONTAINED IN ANY COMMUNICATIONS SHALL BE DEEMED TO BE A REPRESENTATION OR WARRANTY HEREUNDER OR OTHERWISE.

4.5.4 NO PERSON HAS BEEN AUTHORIZED BY SELLER TO MAKE ANY REPRESENTATION OR WARRANTY (OTHER THAN THOSE CONTAINED IN SECTION 3) RELATING TO THE SELLER, PURCHASED ASSETS OR THE BUSINESS, OR OTHERWISE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY, AND, IF MADE, SUCH REPRESENTATION OR WARRANTY MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE SELLER.



4.5.5 IN PARTICULAR, AND WITHOUT LIMITING IN ANY WAY THE GENERALITY OF THE FOREGOING, BUYER EXPRESSLY ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE ASSETS ARE SOLD ON AN "AS-IS," "WHERE-IS" BASIS WITH ALL DEFECTS, AND NO REPRESENTATION OR WARRANTY IS MADE BY SELLER WITH RESPECT TO (I) THE CONDITION, FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, SUITABILITY, FUNCTIONALITY OR LACK OF DEFECTS OF THE PURCHASED ASSETS, (II) POST-CLOSING MATTERS, INCLUDING FUTURE OR FORECASTED COSTS, REVENUES OR PROFITS THAT MAY BE GENERATED WITH THE PURCHASED ASSETS OR (III) MARKETS, CUSTOMERS OR SUPPLIERS.

5. Covenants of Seller. Seller covenants and agrees with Buyer as follows:

5.1 Best Efforts Cooperation. Seller shall use its commercially reasonable best efforts in good faith to perform and fulfill in all material respects all conditions and obligations to be fulfilled or performed by it hereunder.

5.2 Access Pending Closing. Until the Closing, Seller shall give Buyer, its attorneys, accountants and other authorized representatives who are subject to or agree to abide by the provisions of the Confidentiality Agreement noted below reasonable access, upon reasonable notice and at reasonable times so as to avoid interrupting efficient operation of the Business, to Seller's offices, properties, customers, suppliers, employees, products, business and financial Records, contracts, business plans, budgets and projections, agreements and commitments and other documents and information concerning Seller and the Business and Persons employed by or doing business with Seller, including, without limitation, all Schedules and Exhibits referenced herein. Buyer shall be entitled, with the participation of Seller's representatives, to communicate with Seller's customers regarding the status of their Assigned Contracts and the assignment of their Assigned Contracts to Buyer. Following the Closing, Seller shall provide Buyer with access to any and all Records relating to the Business which remain in the possession of Seller and its accountants, attorneys and other representatives for so long as Seller maintains them. Buyer will, through the Closing Date, hold the documents and information concerning Seller and the Business confidential in accordance with the Confidentiality Agreement between Seller and Buyer dated September 21, 2004.

5.3 Keeping of Books and Records. Seller shall keep reasonably adequate Records and books of account, in which entries will be made in a manner consistent with past practice, reflecting all material financial transactions.

5.4 Actions Prior to Closing. Seller shall conduct the Business pending the Closing in the ordinary and usual course of the Business consistent with recent past practice.

5.5 Post Closing Assistance to the Buyer. To facilitate the orderly transition of ownership of the Purchased Assets, Seller shall assist Buyer and its affiliates with various operating and transitional issues by providing information to the Buyer regarding the business and operations of the Seller and assisting with the transition of ownership for a period of sixty (60) days following the Closing (the "Transition Term"), through Jon Nash ("Nash") and Mark Censits ("Censits") on the terms set forth in this section.

5.5.1 The time of Nash and Censits in complying with this Section shall be limited to twenty (20) hours per week for each professional at the Long Island offices of Buyer, or at such other locations as the Buyer and Seller may agree. It is understood and agreed that Buyer and the Seller shall work together to schedule the services at such times as are mutually agreeable, and that the

services may be performed for more or less than 20 hours by each individual in any given week, but that in the aggregate each individual will work 170 hours during the Transition Term.

5.5.2 In the event that the relationship between Nash or Censits and Corporate Revitalization Partners ("CRP") is terminated, Seller will not be responsible for providing any additional professionals to fulfill the obligations outlined in this Section 5.5 nor shall Seller be obligated to compensate the Buyer in any matter.

5.5.3 Seller will invoice Buyer weekly for any expenses incurred, and payment shall be due upon presentation of the invoice. Failure of the Buyer to promptly pay amounts due for services rendered or for reimbursement of expenses shall constitute justification for Seller to cease providing assistance under this Section 5.5 of this Agreement upon written notice.

5.5.4 Buyer agrees to reimburse Seller for all reasonable expenses incurred directly relating to any work undertaken hereunder. Such expenses include but are not limited to: travel, lodging, meals, equipment and vehicle rental, clerical supplies and services, and telephone, fax and photocopying charges.

5.5.5 Seller will not charge the Buyer or any third party, nor will Seller seek compensation from Buyer for the services of Nash or Censits performed pursuant to this Section 5.5.

5.5.6 In the event that any issues arise for which there is, or may be, a potential conflict of interest between the Buyer and either Seller or CRP, the Buyer will immediately notify Scott Avila of CRP. In the event that an issue is deemed to present a conflict of interest, Seller will not be required to provide such services nor will the Buyer seek reimbursement for Seller's inability to provide such services; provided that Seller shall provide a waiver of such conflict as is reasonable under the circumstances, and CRP will seek a waiver thereof in order to allow it to continue the services hereunder. CRP is not aware of any such current conflict, and shall not take on a new engagement during the Transition Term that would reasonably be expected to create such a conflict unless a waiver thereof is obtained.

Neither Nash nor Censits will serve in the capacity of an officer or perform duties similar to those of any officer on behalf of Buyer.

5.6 Notice of Scheduled Confirmation. Seller shall provide Buyer with at least 20 days prior written notice of the date scheduled for confirmation of the plan of reorganization of Seller

6. Covenants of Buyer.

6.1 Best Efforts Cooperation. Buyer shall use its best efforts in good faith to perform and fulfill all conditions and obligations to be fulfilled or performed by it hereunder to the end that the transactions contemplated hereby will be fully and timely consummated.

6.2 Return of Confidential Information if Closing Does Not Occur. If Closing does not occur for any reason, Buyer shall thereafter (i) promptly return to Seller (or destroy and confirm destruction thereof) all documents and other materials and all copies of the foregoing that were furnished to Buyer to date in connection with its due diligence investigation of Seller, its assets or the Business; and (ii) abide by the terms of the Confidentiality Agreement between Buyer and Seller, dated September 21, 2004.

6.3 No-Hiring Covenant if Closing Does Not Occur. Prior to Closing, Buyer may solicit Seller's employees to accept employment with Buyer provided that that employment does not commence prior to the Closing or the termination of this Agreement. If Closing does not occur, Buyer agrees for a period of six months from the date that this Agreement is terminated to refrain from soliciting or hiring any person who is at that time an employee of Seller.

6.4 Access to Records After Closing. Subsequent to Closing, Buyer shall give Seller and the Official Committee of Unsecured Creditors and their respective attorneys, accountants and other authorized representatives reasonable access, upon reasonable notice and at reasonable times so as to avoid interrupting efficient operation of the Business, to Seller's books and records and other documents relating to periods on or before Closing as reasonably necessary for the Debtor or the Committee to effectuate the orderly liquidation of the Debtor, including but not limited to such documents as may be necessary or desirable to facilitate the confirmation of a plan of reorganization, objections to claims, or prosecution of Avoidance Actions.

7. Conditions to Buyer's Obligation to Close. The obligations of Buyer to complete the Closing under this Agreement are subject to the satisfaction, or waiver by Buyer at or before the Closing, of the conditions stated below.

7.1 Consents. All requisite governmental approvals and consents of third parties, including, without limitation, those identified on Schedule 7.1, and the Bankruptcy Court Approvals referenced in Sections 9.1 and 9.2 below shall have been obtained.

7.2 Representations and Warranties True. All of the representations and warranties of Seller contained in this Agreement or in any Schedules or other documents attached hereto or referred to herein or delivered pursuant hereto or in connection with the transactions contemplated hereby shall be true and correct in all material respects on and as of the date hereof and on and as of the Closing Date, as if made on and as of the Closing Date. On the Closing Date, Seller shall have executed and delivered to Buyer a certificate, in form and substance reasonably satisfactory to Buyer and its counsel, to such effect.

7.3 Performance. Seller shall have performed and complied in all material respects with all covenants and agreements contained herein required to be performed or complied with prior to or at the Closing Date. Seller shall have executed and delivered to Buyer a certificate, in form and substance reasonably satisfactory to Buyer and its counsel, in writing to such effect and to the further effect that all of the conditions set forth in this Section 7 have been satisfied.

7.4 Closing Documents. Seller shall have delivered all of the resolutions, certificates, documents and instruments required by this Agreement.

7.5 Approval of Buyer and its Counsel. All actions, proceedings, consents, instruments and documents required to be delivered by, or at the behest or direction of, Seller hereunder or incident to its performance hereunder, and all other related matters, shall be reasonably satisfactory as to form and substance to Buyer and its counsel.

8. Conditions to Seller's Obligations to Close. The obligations of Seller to complete the Closing under this Agreement are subject to the satisfaction, or waiver by Seller at or before the Closing, of the conditions stated below.

8.1 Representations and Warranties to be True and Correct. All of the representations and warranties of Buyer contained in this Agreement attached hereto or referred to herein or delivered pursuant hereto or in connection with the transactions contemplated hereby shall be true and correct in all material respects on and as of the date hereof and on and as of the Closing Date, as if made on and as of the Closing Date. On the Closing Date, Buyer shall have executed and delivered to Seller a certificate, in form and substance reasonably satisfactory to Seller and its counsel, to such effect.

8.2 Performance. Buyer shall have performed and complied in all material respects with all covenants and agreements contained herein required to be performed or complied with by it prior to or at the Closing Date. Buyer shall have executed and delivered to Seller a certificate, in form and substance reasonably satisfactory to Seller and its counsel, in writing to such effect and to the further effect that all of the conditions set forth in this Section 8 have been satisfied.

8.3 No Actions, Suits or Proceedings. As of the Closing Date, no action, suit, investigation or proceeding brought by any person, corporation, governmental agency or other entity shall be pending or, to the knowledge of the parties to this Agreement, threatened, before any court or governmental body to restrain, prohibit, restrict or delay, or to obtain damages or a discovery order in respect of this Agreement or the consummation of the transactions contemplated hereby. No order, decree or judgment of any court or governmental body shall have been issued restraining, prohibiting, restricting or delaying, the consummation of the transactions contemplated by this Agreement. No insolvency proceeding of any character including without limitation, bankruptcy, receivership, reorganization, dissolution or arrangement with creditors, voluntary or involuntary, affecting Buyer shall be pending, and Buyer shall not have taken any action in contemplation of, or which would constitute the basis for, the institution of any such proceedings.

8.4 Closing Documents. Buyer shall have delivered the Purchase Price and all of the resolutions, certificates, documents and instruments required by this Agreement.

9. Bankruptcy Court Approvals.

9.1 Bankruptcy Bidding Procedures. Seller has filed a motion with the Bankruptcy Court (the "Bid Procedures Motion") seeking entry of an order by the Bankruptcy Court that approves an auction procedure (the "Auction") and otherwise provides for bidding procedures for the Purchased Assets that includes provisions relating to the qualification requirements for competing bidders and the right of Buyer to match any overbid.

9.2 Bankruptcy Court Approvals. In connection with the Bid Procedures Motion, the Seller has filed a motion with the Bankruptcy Court (the "Sale Motion") seeking entry of an order approving the sale contemplated by this Agreement (the "Sale Order") which sale shall be free and clear of all Encumbrances. The Sale Order shall be, in form and substance, reasonably satisfactory to Buyer and its counsel. The Debtor shall use its best efforts to obtain a Sale Order finding and providing that (i) Seller has good, valid and marketable title to the Purchased Assets and the title shall be transferred to Buyer free and clear of all Encumbrances; (ii) Buyer is purchasing the Purchased Assets in "good faith" within the meaning of Section 363(m) of the Bankruptcy Code and, as such, is entitled to the protections offered thereby; (iii) the Agreement was negotiated, proposed, and entered into by the parties without collusion, in good faith and arms' length bargaining position; and (iv) the sale of the Purchased Assets is in the best interests of Seller, its creditors and its estate.

10. Survival. All representations and warranties in this Agreement, or in any instrument or document furnished in connection with this Agreement or the transactions contemplated hereby, shall not survive the Closing and shall expire on the Closing Date.

11. Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing:

11.1 By mutual written consent duly authorized by the Boards of Directors of Buyer and Seller;

11.2 By Buyer or Seller if:

11.2.1 Any court of competent jurisdiction or other governmental body shall have issued an order, decree or ruling, or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated hereby, provided that this Agreement shall not be terminated pursuant to this Section unless the party terminating this Agreement has utilized its reasonable best efforts to oppose the issuance of such order, decree or ruling or the taking of such action.

11.2.2 The Closing has not occurred on or prior to March 31, 2005 for any reason other than the breach of any provision of this Agreement by the party terminating this Agreement.

11.2.3 The other party breaches any of its representations, warranties or covenants attached hereto.

11.3 By Buyer if:

11.3.1 Any of the conditions set forth in Section 7 hereof has not been satisfied on or before March 31, 2005, or shall have become incapable of fulfillment and shall not have been waived by Buyer for any reason other than a breach by Buyer hereunder.

11.3.2 Any failure by Seller to perform in any material respect any commitment, covenant or condition contained in this Agreement.

11.3.3 If the Sale Order containing the terms described in Section 9.2 is not entered by the Bankruptcy Court by December 31, 2004.

11.4 By Seller if:

11.4.1 Any of the conditions set forth in Section 8 hereof has not been satisfied on or before March 31, 2005, or shall have become incapable of fulfillment and shall not have been waived by Seller for any reason other than a breach by Seller hereunder.

11.4.2 Any failure by Buyer to perform in any material respect any commitment, covenant or condition contained in this Agreement.

Upon the occurrence of any of the events specified in this Section 11 (other than Section 11.1 hereof), written notice of such event shall forthwith be given to the other parties to this

Agreement, whereupon this Agreement shall terminate.

11.5 In the event of the termination and abandonment of this Agreement pursuant to this Section 11, this Agreement shall forthwith become void and be of no effect, without any liability on the part of any party or its directors, officers or shareholders and the Deposit shall be returned immediately to the Buyer; provided, however, if termination results from the breach or non-performance by a the Buyer, then the Seller shall be entitled to retain the Deposit as its sole and exclusive remedy hereunder, as liquidated damages, and none of the parties to this Agreement shall have any further claim against any other party by reason of anything contained in this Agreement.

12. Miscellaneous.

12.1 Notices. All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as a party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by telex, telecopy or facsimile transmission, (iii) sent by recognized overnight courier, or (iv) sent by registered or certified mail, return receipt requested, postage prepaid.

If to Buyer:

Brynwood Partners V L.P.  
8 Sound Shore Drive, Suite 265  
Greenwich, CT 06840  
Attn: Ian B. MacTaggart

With a copy to:

Martin A. Clarke, Esq.  
Edwards & Angell, LLP  
Three Stamford Plaza  
Stamford, CT 06901

If to Seller:

Uniflex, Inc.  
383 W. John Street  
Hicksville, NY 11802  
Attn: Jonathan Nash

With a copy to:

Peter C. Hughes, Esquire  
Dilworth Paxson LLP  
3200 Mellon Bank Center  
1735 Market Street  
Philadelphia, PA 19103-7595

All notices, requests, consents and other communications hereunder shall be deemed to have been made (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (ii) if made by telex, telecopy or facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (iv) if sent by registered or certified mail, on the fifth business day following the day such mailing is made.

12.2 Entire Agreement. This Agreement together with the Exhibits and Schedules hereto and the other documents executed in connection herewith (together, the "Documents") embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof except for the Creditors Committee Agreement dated December 2, 2004, which shall remain in effect in accordance with its terms, and is expressly incorporated by reference herein.

12.3 Modifications and Amendments. The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto.

12.4 Waivers and Consents. No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

12.5 Assignment. Neither this Agreement, nor any right hereunder, may be assigned by any of the parties hereto without the prior written consent of the other parties which consent shall not be unreasonably withheld, provided, however, Buyer may assign this Agreement to a direct or indirect wholly-owned subsidiary of Buyer without the consent of Seller (in which event, representations and warranties relating to Buyer and the opinion of counsel to be delivered by Buyer shall be appropriately modified).

12.6 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

12.7 Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the internal laws of the State of Delaware, without giving effect to the conflict of law principles thereof.

12.8 Consent to Jurisdiction. Any legal action or other proceeding for any purpose with respect to this Agreement shall be brought in the state or federal courts in the State of Delaware. The parties hereby submit to the exclusive jurisdiction of such courts and waive any objection to the propriety or convenience of venue in such courts. Notwithstanding the foregoing, for so long as Seller is subject to the jurisdiction of the Bankruptcy Court, the parties hereto irrevocably elect the Bankruptcy Court as the sole judicial forum for adjudication of any matters arising under or in connection with this Agreement.

12.9 Severability. In the event that any court of competent jurisdiction shall finally determine that any provision, or any portion thereof, contained in this Agreement shall be void or unenforceable in any respect, then such provision shall be deemed limited to the extent that such court determines it enforceable, and as so limited shall remain in full force and effect. In the event that such court shall determine any such provision, or portion thereof, wholly unenforceable, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

12.10 Interpretation. The parties hereto acknowledge and agree that: (i) each party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (iii) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favor of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

12.11 Headings and Captions. The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect, or be considered in construing or interpreting the meaning or construction of any of the terms or provisions hereof.

12.12 Expenses. Except as otherwise expressly provided herein, each of the parties hereto shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated.

12.13 No Broker or Finder. Each of the parties hereto represents and warrants to the other that no broker, finder or other financial consultant has acted on its behalf in connection with this Agreement or the transactions contemplated hereby in such a way as to create any liability on the other. Each of the parties hereto agrees to indemnify and save the other harmless from any claim or demand for commission or other compensation by any broker, finder, financial consultant or similar agent claiming to have been employed by or on behalf of such party and to bear the cost of legal expenses incurred in defending against any such claim.

12.14 Publicity. No party shall issue any press release or otherwise make any public statement with respect to the execution of, or the transactions contemplated by, this Agreement without the prior written consent of the other party, except as may be required by applicable law of the Bankruptcy Court, or by other court order.

12.15 Counterparts. This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.



Dec. 20. 2004 6:30PM

No. 0539 P. 2

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the day and year first above written.

UNIFLEX HOLDINGS, INC.

UNIFLEX, INC.

By: James D. McGinley  
By: James D. McGinley,  
Attorney-in-Fact

By: \_\_\_\_\_

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BOX\_493433/MCGINLEY

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the day and year first above written.

UNIFLEX HOLDINGS, INC.





By: \_\_\_\_\_  
By: James D. McGinley,  
Attorney-in-Fact

UNIFLEX, INC

By:   
Jonathan Nasif  
K CEO

**Schedule A(1)**

**United States**

<b>Mark</b>	<b>Serial No.</b>	<b>Filed</b>	<b>Registration No.</b>	<b>Registered</b>
UF and Design 	72/411,298	12/28/71	961,816	6/26/73
TEXTURE-FLEX	73/040,955	1/6/75	1,031,460	1/27/76
UNIFLEX	73/150,413	12/1/77	1,115,307	3/20/79
UNI-BOX	73/337,648	11/18/81	1,217,620	11/23/82
SPECIAL AIRTUFF	73/400,307	10/19/82	1,285,289	7/10/84
TRI-FLEX	73/572,483	12/9/85	1,400,309	7/8/86
JET POUCH	73/572,484	12/9/85	1,400,310	7/8/86
PRESS AND CLOSE	73/730,130	5/23/88	1,524,471	2/14/89
SPECI-GARD	73/803,793	6/1/89	1,577,549	1/16/90
SLIP-FREE	74/005,091	11/24/89	1,623,114	11/13/90
PROTEX-RAY	74/175,251	6/12/91	1,691,341	6/9/1992
UNIVAULT	74/514,116	4/19/94	1,973,320	5/7/96
ECONOVAULT	74/514,117	4/19/94	1,973,321	5/7/96
MICRO-TEX	74/690,725	6/19/95	1,976,657	5/28/96
ULTRAVAULT	74/632,575	2/10/95	1,994,206	8/13/96
UNIVAULT and Design 	74/526,407	5/19/94	2,027,460	12/31/96
UNIFLEX and Design 	74/502,978	3/21/94	2,034,098	1/28/97
BAGVERTISING	75/041,527	11/1/96	2,071,307	6/17/97
UF LINE	75/063,256	2/13/96	2,080,989	7/22/97
THE BAGVERTISING COMPANY	75/042,179	1/11/96	2,117,329	12/2/97
UNIFLEX and Design 	74/502,977	3/21/94	2,142,948	3/10/98
COTE ASSOCIATES	78/499,643	10/14/04	2,989,791	8/30/05

**Schedule A(2)**

**International**

<b>Country</b>	<b>Mark</b>	<b>Serial No.</b>	<b>Filed</b>	<b>Registration No.</b>	<b>Registered</b>	<b>Notes/Current Status</b>
European Community	SPECI-GUARD	1577923	3/27/00	1577923	7/18/01	Registered – Renewal due March 27, 2010
Switzerland	SPECI-GARD	03227/2000	3/21/00	481180	3/21/00	Registered – Renewal due March 21, 2010

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**SCHEDULE A**

**U.S. PATENTS**

<b>Serial No.</b>	<b>Filed</b>	<b>Title</b>	<b>First Named Inventor</b>	<b>Patent No.</b>	<b>Issued</b>
07350460	5-11-89	ENVELOPE CLOSURE SEAL AND METHOD	Kurt W. Vetter	4932791	6-12-90
07487393	3-28-90	ENVELOPE CLOSURE SEAL AND METHOD	Kurt W. Vetter	5045040	9-3-91
08201125	2-24-94	TAMPER-RESISTANT ENVELOPE CLOSURE	Kurt W. Vetter	5584580	12-17-96
08430408	4-28-95	METHOD OF FORMING A TAMPER RESISTANT ENVELOPE CLOSURE	Kurt W. Vetter	5641318	6-24-97
08467084	6-6-95	TAMPER-RESISTANT ENVELOPE	Kurt W. Vetter	6048098	4-11-00
08773166	12-26-96	TAMPER-RESISTANT ENVELOPE	Kurt W. Vetter	5788377	8-4-98
08904669	8-1-97	AUTOMATED CONTAINER INSERT DEVICE	Kurt W. Vetter	5974769	11-2-99
11009653	12-10-04	BAG DISPENSING ASSEMBLY	Robert Cunningham	7080756	7-25-06

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