

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Asset Purchase Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Friede Goldman Ltd		05/01/2002	CORPORATION: MISSISSIPPI
Friede Goldman Halter Inc.		05/01/2002	CORPORATION: MISSISSIPPI

RECEIVING PARTY DATA

Name:	United Heavy B.V.
Street Address:	Haaksbergweg 13/ Suite 3
City:	Amsterdam Zuidoost
State/Country:	NETHERLANDS
Postal Code:	1101 BP
Entity Type:	CORPORATION: NETHERLANDS

PROPERTY NUMBERS Total: 7

Property Type	Number	Word Mark
Registration Number:	2270658	F & G
Registration Number:	2418661	F&G
Registration Number:	2472710	F&G
Registration Number:	2281142	FRIEDE & GOLDMAN
Registration Number:	2418662	FRIEDE & GOLDMAN
Registration Number:	2418663	FRIEDE & GOLDMAN
Registration Number:	2599753	SMART WINCH

CORRESPONDENCE DATA

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Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
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 Email: pat-tmk@andrewskurth.com
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CH \$190.00 2270658

Address Line 4: Houston, TEXAS 77002

ATTORNEY DOCKET NUMBER:

FRIEDE

DOMESTIC REPRESENTATIVE

Name:

Address Line 1:

Address Line 2:

Address Line 3:

Address Line 4:

NAME OF SUBMITTER:

John Sparacino

Signature:

/John Sparacino - eventt//

Date:

02/23/2007

Total Attachments: 59

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF MISSISSIPPI

U.S. BANKRUPTCY COURT
SOUTHERN DISTRICT OF MISSISSIPPI
2002 MAY 16 AM 8:59

IN RE:
FRIEDE GOLDMAN HALTER, INC.,
et al., Jointly Administered

Jointly Administered Under
CASE NO. 01-52173 SEG

BY: [Signature] CLERK
[Signature] DEPUTY CLERK

NOTICE OF FILING OF
ASSET PURCHASE AGREEMENT OF UNITED HEAVY B.V.
IN CONNECTION WITH SALE OF ASSETS OF FRIEDE & GOLDMAN LTD.

Attached hereto as Exhibit "A" is a copy of the Asset Purchase Agreement ("APA") between United Heavy B.V. ("Buyer") and Friede & Goldman Ltd. ("FGL") and certain of FGL's affiliated debtors (collectively, the "Selling Debtors") in connection with the Motion for Order Authorizing Certain Debtors to (i) Sell Assets and to Assume, Assign and Sell Certain Executory Contracts and Unexpired Leases that Relate Thereto Free and Clear of all Liens, Claims, Encumbrances, and Interests and (ii) to Establish Cure Amounts Related to Assumed and Assigned Executory Contracts and Unexpired Leases (the "Sale Motion") filed on March 15, 2002.

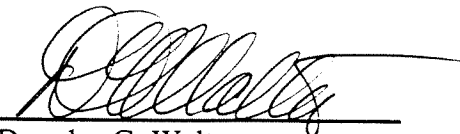
Buyer constitutes the "Successful Bidder" as defined in the Sale Motion. Pursuant to APA, Buyer shall purchase certain of the Selling Debtors assets relating to their naval architecture and marine engineering design business for \$15.0 million cash (subject to certain adjustments further detailed in the APA, and the assumption of certain liabilities as set forth in the APA).

Respectfully submitted this 15th day of May, 2002.

FRIEDE GOLDMAN HALTER, INC. *ET AL*

By Their Attorneys

Andrews & Kurth,
Mayor, Day, Caldwell & Keeton L.L.P.

By: 
Douglas G. Walter

OF COUNSEL:
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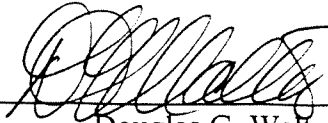
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Notice was served on the parties on the attached Service List by telecopy on the 14th day of May, 2002.



Douglas G. Walter

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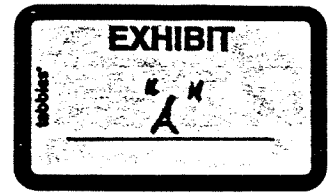
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TRADEMARK

REEL: 003487 FRAME: 0193



ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "*Agreement*") is made and entered into as of this 1st day of May, 2002 (the "*Execution Date*") by and between United Heavy B.V., the Netherlands corporation (the "*Buyer*"), on the one hand, and Friede & Goldman Ltd., a Mississippi corporation ("*FGL*"), and Friede Goldman Halter, Inc., a Mississippi corporation ("*FGH*"), Debtor and Debtor-in-Possession (FGL and FGH are collectively, the "*Seller*") under jointly administered Case No. 01-52173 (collectively, the "*Case*") in the United States Bankruptcy Court in the Southern District of Mississippi (the "*Bankruptcy Court*") filed on April 19, 2001.

RECITALS

- A. Seller is engaged in a variety of businesses related to the design, manufacture, conversion and modification of offshore drilling rigs, marine vessels and engineered products for the maritime and offshore energy industries. The relevant line of business for the purposes of this Agreement is the Seller's business segment specifically involved in naval architecture and marine engineering, serving the offshore drilling and production industry, and known within the Seller's operations as F&G Limited (the "*Business*").
- B. Seller wishes to sell to Buyer substantially all the assets it uses in connection with the Business at the price and on the other terms and conditions specified in detail below and Buyer wishes to so purchase and acquire such assets from Seller.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Transfer of Assets

1.1 Purchase and Sale of Assets. On the Closing Date, as hereinafter defined, in consideration of the covenants, representations and obligations of Buyer hereunder, and subject to the conditions hereinafter set forth, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase from Seller all of Seller's right, title and interest as of the Closing Date in and to the Business and all properties, assets and rights of any kind, whether tangible, real, personal or mixed, used or held for use by Seller predominately in the conduct of the Business and owned by or in the possession of Seller (or, to the extent specified below, by certain of its affiliates) on the Closing Date (other than Excluded Assets), including the following assets, wherever located (collectively, the "*Property*");

1.1.1 Leases and Contracts. Subject to Section 1.3, all rights, title and interest of Seller (or, in the case of the leases described in clause (i) below, by FGH and its subsidiary, Friede Goldman Offshore, Inc., as applicable) as of the Closing Date in and to all leases, contracts, licenses, purchase and sales orders, commitments and other agreements and proposals and other contractual rights, commitments or obligations of such party or parties which relate predominantly to the Business (collectively, the "*Contracts*"), including those (i) real property leases described on **Exhibit "A-1"** to this Agreement (collectively, the "*Real Property Leases*"), (ii) equipment, personal property and intangible property leases, rental agreements, licenses, contracts, agreements and similar arrangements described on **Exhibit "A-2"** to this Agreement

(collectively, the “*Other Leases*”), (iii) other contracts, leases, orders, purchase orders, licenses, contracts, agreements and similar arrangements described on **Exhibit “A-3”** (collectively, the “*Other Contracts*” and together with the *Other Leases*, the “*Other Leases and Contracts*”).

1.1.2 Intellectual Property. (i) All inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, divisions, substitutions and reexaminations thereof, and all priority rights with respect thereto, (ii) all trademarks, service marks, trade dress, get-ups, logos, trade names, domain names and addresses and corporate names and other distinctive material, including the name and trademark “*Friede & Goldman*” together with all translations, adaptations, derivations and combinations thereof for use in connection with the Business, and including all goodwill associated therewith, and all applications, registrations and renewals in connection therewith, and all priority rights with respect thereto, (iii) all copyrightable works, all copyrights and all applications, registrations and renewals in connection therewith, and all rights in databases, (iv) all mask works and all applications, registrations and renewals in connection therewith, (v) all trade secrets and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals) and all related rights, (vi) all computer software and software licenses (including data and related documentation), to the extent rights therein are transferable by FGL and/or FGH, (vii) design rights (whether registered or unregistered, including applications therefor), (viii) all other proprietary rights, and (ix) all copies and tangible embodiments thereof (in whatever form or medium), to the extent (i)-(ix) are used or held for use by FGL predominantly in the Business, including those listed on **Exhibit “A-4”** (collectively, the “*Intellectual Property*”).

1.1.3 Licenses, Permits and Approvals. All transferable rights and incidents of interest in and to all licenses, permits, franchises, certifications, permissions, consents, authorizations and approvals, if any, (collectively, “*Permits*”) which relate predominantly to the Business and have been issued to FGL by any Governmental Authority or permitting, licensing, accrediting or certifying agency.

1.1.4 Prepaid Expenses, Advances and Deposits. All prepaid expenses, advances to third parties and deposits with third parties of Seller as of the Closing Date relating to the Business, but only to the extent that they are included as current assets on a balance sheet for the Business prepared as of the Closing Date in accordance with Seller's Accounting Principles.

1.1.5 Records. All books or records currently used by FGL in connection with operating the Business other than the corporate minute book and stock ledger of FGL.

1.1.6 Telephone and Facsimile Numbers; Website and Internet Domain Names. All transferable interests of FGL as of the Closing Date in (a) all telephone, telex and facsimile numbers used predominantly in the Business, (b) all listings relating predominantly to the Business in all telephone books and directories and (c) the Website “*www.fng.com*” (the “*Website*”), including all right, title and interests of FGL and/or FGH, if any, in the domain name

of the Website, Seller's rights to the use of the URL and the HTML codes and other similar codes and software program language supporting the Website and the Java, Java Script, DHTML, ASP, JSCRIPT, VBSCRIPT, Java Beans, Active X, C++, J++, Perl codes and other similar codes, including software proprietary to Seller and created, modified or used by Seller predominantly in the development, generation and performance of the Website (collectively, the "Source Codes").

1.1.7 Advertising. All advertising, marketing and promotional concepts and materials, and all other printed, written or electronic materials prepared predominantly for use in the Business.

1.1.8 Other Intangible Property. All intangible personal property not described in the preceding Sections which is owned or held by FGL and used predominantly in connection with the Business, but in all cases only to the extent of Seller's interest therein and only to the extent transferable, together with all books, records and like items pertaining exclusively to the Business (collectively, the "*Intangible Property*"), including, without limitation, the items identified on **Exhibit "B"** hereto. As used in this Agreement, Intangible Property shall in all events exclude (a) any materials containing privileged communications or information about employees, disclosure of which would violate an employee's reasonable expectation of privacy and any other materials which are subject to attorney-client or any other privilege or requirement to maintain confidentiality (including any rights to assert privilege) and (b) Seller's corporate books and records relating to its organization and existence.

1.1.9 Tangible Personal Property. All of those items of Seller's equipment and tangible personal property (and, with respect to all computer software and software licenses, to the extent rights therein are transferable by FGL and/or FGH), including those listed in **Exhibit "C"** attached to this Agreement, and any other tangible personal property acquired by Seller after the date hereof but prior to the Closing Date exclusively in connection with the Business, including all items of tangible personal property which are located at premises of the Business as of the date hereof (or, if acquired after the date hereof, as of the Closing Date) (collectively, the "*Personal Property*"). As used in this Agreement, the Personal Property shall not include the Inventory.

1.1.10 Accounts Receivable. All accounts, notes and other receivables of FGL as of the Closing Date and all rights to bill and receive payment for products shipped or delivered and/or services performed but unbilled or unpaid as of the Closing Date to the extent relating to the Business and included as Current Assets.

1.1.11 Inventory. All supplies, goods, materials, work in process, inventory and stock in trade owned by FGL exclusively for use or sale in the ordinary course of the Business and included as Current Assets (collectively, the "*Inventory*").

1.1.12 Miscellaneous Assets. All such other assets, properties, interests in properties and rights owned by Seller as of the Closing Date that relate predominantly to the Business, including those that are (a) reflected in the November 30, 2001 balance sheet contained in **Exhibit "D-1"** (the "*Base Balance Sheet*") (or not so reflected as a result of being fully amortized or depreciated as of November 30, 2001 (the "*Base Balance Sheet Date*")) or on the

books and records of Seller relating predominantly to the Business, but excluding any such other assets, properties, interests and rights which have been disposed of by Seller in the ordinary course of business after the Base Balance Sheet Date, including those identified in **Exhibit "D-2"**; (b) acquired by Seller after the Base Balance Sheet Date and relating predominantly to the Business, including those identified in **Exhibit "D-3"**; or (c) that consist of items of tangible personal property located as of the Closing Date at the premises of the Business (other than items leased by Seller or any of its affiliates from unaffiliated parties); but in all events such assets shall not include any items listed on **Exhibit "E"** hereto.

1.2 Excluded Assets.

(a) Notwithstanding anything to the contrary in this Agreement, the Property shall not include the following (the "*Excluded Assets*"): (i) those items expressly excluded pursuant to the provisions of Sections 1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6 below; (ii) all cash and cash equivalents (other than security deposits and advances); (iii) Inventory transferred or consumed by FGL in the ordinary course of the Business prior to the Closing Date; (iv) any lease, rental agreement, contract, agreement, license, purchase and sale order or other contract terminated or expired prior to the Closing Date in accordance with its terms or in the ordinary course of the Business; (v) any right, claim, chose in action, property or asset listed on **Exhibit "E"** hereto; (vi) all preference or avoidance claims and actions of the Seller, including, without limitation, any such claims and actions arising under Sections 544, 547, 548, 549, and 550 of the United States Bankruptcy Code; (vii) the Seller's rights under this Agreement and all cash and non-cash consideration payable or deliverable to the Seller pursuant to the terms and provisions hereof; or (viii) insurance proceeds, claims and causes of action with respect to or arising in connection with (A) any Contract which is not assigned to Buyer at the Closing Date, or (B) any item of tangible or intangible property not acquired by Buyer at the Closing Date.

(b) If any claimant asserts that its cure amount with respect to any Real Property Lease or Other Lease and Contract is greater than the amount listed in the Sale Procedure Motion, then Buyer shall have the right to designate such Real Property Lease or Other Lease and Contract as an Excluded Asset; *provided, however*, that the Purchase Price shall not be adjusted for such cure amount and such cure amount shall be excluded from Assumed Liabilities.

1.2.1 Trademarks. The corporate and trade name "Friede Goldman Halter, Inc." and any other corporate and trade names, trademarks and service marks and variations thereof of Seller or its affiliates that are not used substantially in the Business (including, without limitation, "Friede Goldman Offshore, Inc."), and the goodwill symbolized thereby and associated therewith.

1.2.2 Nonassignable Contracts: Nonassignable Permits. (a) Any Contract or Permit for which the transfer or assignment thereof to Buyer requires the consent, approval, novation or waiver of a third person or entity which has not been obtained and, after giving effect to the Approval Order, remains in effect on the Closing Date, and (b) any nontransferable qualification or license to do business of FGL in any jurisdiction (domestic or foreign). Such

nontransferable Contracts, Permits, qualifications and licenses are identified on Exhibit "F".

1.2.3 Certain Claims. All rights and interests of FGL (a) in or under any agreement regarding the sharing of taxes; and (b) in and to any claims or causes of action (including any cross-claims or counter-claims) relating to any taxes (including any tax deposits, refunds, rebates, credits or other tax benefits).

1.2.4 Records. All of FGH's books or records, currently used by the FGL in connection with operating the Business.

1.2.5 Rights in Respect of Excluded Liabilities. All guarantees, warranties, indemnities and rights, claims and causes of action against any person in favor of Seller that would entitle Seller to recompense in respect of any Excluded Liability, except to the extent such guarantees, warranties, indemnities, rights, claims and causes of action would entitle Buyer to recompense for any Assumed Liability.

1.2.6 Employee Plans. All the rights of Seller or any other party in, and all assets of, each of Seller's "employee benefit plans", as such term is defined in Section 3(3) of the Employment Retirement Income Security Act of 1974, as amended (the "Plans").

1.3 Instruments of Transfer. The sale, assignment, transfer, conveyance and delivery of the Property to Buyer and the assumption of liabilities provided herein by Buyer shall be made by assignments, bill of sale, deed, stock power and other instruments of assignment, transfer and conveyance provided for in Section 3 below and such other instruments as may be agreed upon by Buyer and Seller, acting reasonably and in good faith.

2. Consideration.

2.1 Purchase Price. On the terms and subject to the conditions hereof, in consideration of the transfer of the Property and the other undertakings of Seller and Buyer:

2.1.1 Except as provided in Section 8.3.3, the cash consideration to be paid by Buyer to Seller for the Property (the "*Purchase Price*") shall be Fifteen Million United States Dollars (US\$15,000,000), subject to adjustment as provided in Section 2.3 below. The balance of the Purchase Price minus the Deposit will be paid in cash in accordance with 2.1.3 below on the Closing Date (the "*Closing Payment*");

2.1.2 Upon mutual execution of this Agreement, Buyer shall deposit into escrow (the "*Escrow*") with an escrow agent or company (the "*Escrow Holder*") reasonably designated by Seller (the "*Deposit*") One Million Five Hundred Thousand United States Dollars (US\$1,500,000) in immediately available, good funds (funds delivered in this manner are referred to herein as "*Good Funds*"), pursuant to joint escrow instructions to be delivered to and acknowledged by the Escrow Holder on or before the Execution Date. Such escrow instructions shall include the provisions set forth in this Subsection 2.1.2. Upon receipt of the Deposit, the Escrow Holder shall immediately deposit the Deposit into an interest-bearing account. The Deposit shall be refunded to Buyer in full upon the earlier of (x) the approval of any sale of the Property at the hearing on the Sale Motion (as defined in Section 8.3.2 below) other than the sale to Buyer pursuant to this Agreement, or (y) the termination of the transaction contemplated by

this Agreement by reason of Seller's default or (z) the failure to satisfy at Closing all conditions to Buyer's obligations set forth in Section 4.2 below on or before the Outside Date, unless Buyer executes and delivers a written waiver with respect to each such unsatisfied condition (each a "Seller Default Termination"). In the event the Deposit becomes refundable by reason of a Seller Default Termination, Escrow Holder shall immediately return the Deposit and all interest accrued thereon to Buyer to be retained by Buyer for its own account. If the transactions contemplated herein terminate by reason of Buyer's default, the Escrow Holder shall immediately disburse the Deposit and all interest accrued thereon to Seller to be retained by Seller for its own account. The Escrow Holder's escrow fees and charges shall be paid one-half by Seller and one-half by Buyer.

2.1.3 On the Closing Date, Buyer shall (i) pay and deliver to Seller, by wire transfer in Good Funds, the Closing Payment (the Escrow Agent shall continue to hold the Deposit until the Purchase Price Adjustment has been determined pursuant to Section 2.3 below). The Closing Payment will be made in immediately available funds by bank wire transfer to the account which shall be designated by Seller to Buyer not later than the close of business on the second day (other than a Saturday or Sunday) on which business is generally conducted in Houston, Texas ("*Business Day*") immediately preceding the Closing Date.

2.1.4 At the Closing, Buyer will assume the Assumed Liabilities of Seller by delivery of an executed assumption agreement with respect to the Assumed Liabilities described in Section 2.4 below.

2.2 Allocation of Purchase Price. Prior to the Closing Date, Seller and Buyer shall mutually agree on the allocation of the Purchase Price, which allocation shall be done solely for tax purposes.

2.3 Purchase Price Adjustment.

2.3.1 On or before the third business day prior to the projected Closing Date, Buyer and Seller will cooperate with each other to agree on a mutually satisfactory agreed value of Inventory as of the Closing Date for purposes of calculating Current Assets of the Business. In the event they are unable to so agree, they will jointly select an independent accounting firm to determine such value as promptly as is practical, in which case the fees of such accounting firm will be paid equally by Buyer and Seller.

2.3.2 Calculation of Net Working Capital at Closing Date. As soon as practicable, and in no event later than forty-five (45) days after the Closing Date, Buyer's accountants shall compute and deliver to Seller (a) the amount of Net Working Capital of the Business as of the Closing Date based on Seller's Accounting Principles (valuing Inventory in the manner set forth in Section 2.3.1) and in accordance with the relevant terms and conditions set forth herein, and (b) the difference between (i) the Net Working Capital of the Business as of the Closing Date (which shall include all Assumed Liabilities), and (ii) the Net Working Capital of the Business as shown on the Base Balance Sheet (which shall include only assets which comprise the Property) (the "*NWC Difference*"). Buyer shall provide Seller a summary reflecting how such computations were made. Seller and its accountants shall have the opportunity to review and comment on such computations.

2.3.3 Net Working Capital at Date of Base Balance Sheet. The Net Working Capital calculation as shown on the Base Balance Sheet, calculated using the methods and conventions described above, is attached hereto as **Exhibit "G"**.

2.3.4 Payment of Adjustment Amounts. If the NWC Difference calculated pursuant to Section 2.3.1 above is a positive number (or zero), then Buyer shall, within ten business days of such computation by Buyer's independent public accountants, (x) direct the Escrow Holder to deliver the Deposit, together with interest thereon, to Seller and (y) pay Seller, by wire transfer, a cash amount equal to NWC Difference. If the NWC Difference calculated pursuant to Section 2.3.1 above is a negative number with an absolute value less than \$800,000, then Buyer and Seller shall, within ten business days of such computation by Buyer's independent public accountants, direct the Escrow Holder to (i) deliver the Deposit, minus the absolute value of the NWC Difference to Seller, together with interest on such portion of the Deposit, and (ii) deliver the remainder of the Deposit (equal to the absolute value of the NWC Difference plus interest on such portion of the Deposit) to Buyer. If the NWC Difference calculated pursuant to Section 2.3.1 above is a negative number with an absolute value greater than \$800,000, then Seller shall, within ten business days of such computation by Buyer's independent public accountants, (A) direct the Escrow Holder to deliver the Deposit, together with interest thereon, to Buyer and (B) pay Buyer, by wire transfer, a cash amount equal to the absolute value of the NWC Difference minus \$800,000.

2.3.5 Disputes. Within five (5) days of receipt of the computations referred to in Section 2.3.1 above, the Seller shall notify the Buyer if it disputes any aspect of such computations or accepts them. If the Buyer disputes such computations, the parties shall work together in good faith to resolve the dispute. If they are unable to resolve the dispute, the dispute shall be referred to such nationally recognized accounting firm as the Buyer and Seller may mutually agree upon which decision shall be binding on the parties hereto, or if they are unable to agree, as designated by the Bankruptcy Court.

2.3.6 Definitions. As used in this Agreement, the term "Seller's Accounting Principles" means those accounting principles, applied in a manner consistent with the preparation of the Base Balance Sheet and in accordance with the Seller's historical accounting principles and methods (as applied by Seller in the preparation of its internal business unit financial statements for the calendar year ended December 31, 2000), but valuing Inventory in the manner set forth in Section 2.3.1 and using the definition of Current Assets, Current Liabilities and Net Working Capital as set forth herein; the term "Current Assets" means the amounts reflected as current assets of the Business on its financial statements determined in accordance with Seller's Accounting Principals and includes, but is not limited to, items such as accounts receivable (less reserves for doubtful accounts), costs in excess of billings, contract work in progress, short-term investments, deposits of all types, inventory and current prepaid assets; *provided, however*, that neither cash, nor cash equivalents, nor any other asset that is an Excluded Asset shall be considered a Current Asset; the term "Current Liabilities" means the amounts reflected as current liabilities of the Business on its financial statements determined in accordance with Seller's Accounting Principles and includes, but is not limited to, items such as post-petition accounts payable, billings in excess of costs, accrued expenses, and unpaid accrued taxes; *provided, however*, that (a) each obligation that is an Assumed Liability shall be deemed a Current Liability to the extent that it would be a balance sheet liability or subject to a loss reserve

under Seller's Accounting Principles, (b) current maturities of indebtedness for borrowed money or capital leases (including interest thereon) shall be deemed not to be Current Liabilities and (c) accruals in respect of employee vacation time or other employee expenses or benefits not assumed by Buyer shall be deemed not to be Current Liabilities; and the term "Net Working Capital" means the difference between the Current Assets and the Current Liabilities of the Business as of the date of computation.

2.4 Assumed Liabilities. Buyer shall, effective from and after the Closing Date, assume and perform, and indemnify Seller in respect of, (i) all liabilities and obligations accruing under the Real Property Leases and under the Other Leases and Contracts on and after the Closing Date, (ii) all liabilities and obligations otherwise required to be performed with respect to the Property on or after the Closing Date to the extent included in accrued liabilities on the balance sheet, (iii) all post-petition accounts payable and similar obligations included as Current Liabilities for purposes of determining the NWC Difference and (iv) any and all liabilities asserted by Jerome L. Goldman in the Motion for Order to Compel Assumption or Rejection of Executory Contracts filed in the Case (the "*Goldman Claim*"); *provided*, that Buyer shall pay all cure amounts owing under any of the Real Property Leases and Other Leases and Contracts as of the Closing which the Bankruptcy Court may order to be paid as a condition to the Seller's assignment of any Real Property Lease or Other Lease or Contract (collectively, all of the foregoing liabilities, obligations and cure amounts are the "*Assumed Liabilities*").

2.5 Excluded Liabilities. Other than the liabilities and obligations of Seller expressly assumed by Buyer hereunder, Buyer is not assuming and shall not be liable for any liabilities or obligations of Seller including, without limitation, each of the following liabilities and obligations: (i) all taxes of Seller that do not relate to the Business or the Property and, except to the extent included as Current Liabilities, all taxes which relate to the Business or Property; (ii) any and all obligations arising out of or attributable to any failure of Seller to own or operate the Business or the Property in accordance with applicable laws and regulations; (iii) except to the extent included as Current Liabilities, any and all liabilities or obligations with respect to the employment by Seller of its employees and consultants, including salaries, payroll taxes, withholding taxes, workers' compensation and unemployment compensation and all liabilities with respect to contributions to be made in respect of service for all periods through the Closing Date under any Plan; (iv) any and all liabilities and obligations with respect to any products or services sold before the Closing Date arising out of any bodily injury, death or property damage (or related economic loss) occurring prior to the Closing Date; any and all obligations, responsibilities and liabilities associated with environmental laws and regulations arising from the operation of the Business or ownership of the Property prior to the Closing Date (whether such liabilities relate to Seller's ownership or those of any predecessor owner, tenant, occupant or user); (v) except for the Goldman Claim, any and all liabilities of Seller under any lawsuits, claims, administrative or other proceedings; and (vi) any and all obligations and liabilities for money borrowed and included as Current Liabilities.

3. Closing of Transactions.

3.1 Closing. The Closing of the transactions provided for herein (the "*Closing*") shall take place at the offices of Andrews & Kurth LLP, 600 Travis, Suite 4200, Houston, Texas 77002.

3.2 Closing Date. The Closing shall be held within five days after satisfaction or waiver of the conditions to closing in Section 4 (the "*Closing Date*") but in no event later than May 31, 2002; *provided, however*, that the Closing Date shall automatically be extended to June 15, 2002 in the event that Buyer is designated the Alternate Successful Bidder after the Auction pursuant to Section 8.3.3; *provided, further*, that the Closing Date shall automatically be extended for consecutive 30 day periods if the only conditions remaining to be satisfied are the conditions specified in Sections 4.1.8 or 4.2.4 (such date, as so extended, the "*Outside Date*"). In the event the conditions to Closing (other than the condition specified in Section 4.1.8 and 4.2.4) have not been satisfied or waived by the Outside Date, then any party who is not in default hereunder may terminate this Agreement; *provided* that nothing in this Section 3.2 shall relieve any party from any liability for any breach of this Agreement. Alternatively, the parties may mutually agree to an extended Closing Date. Until this Agreement is either terminated or the parties have agreed upon an extended Closing Date, the parties shall diligently continue to work to satisfy all conditions to Closing.

3.3 Seller's Deliveries to Buyer at Closing. On the Closing Date, Seller shall make the following deliveries to Buyer:

3.3.1 Assignment and Assumption Agreement. An Assignment and Assumption Agreement, duly executed by Seller, pursuant to which Seller assigns the Real Property Leases and the Other Leases and Contracts, and Buyer agrees to perform and discharge the Assumed Liabilities and indemnify Seller in respect thereof (the "*Assignment and Assumption Agreement*").

3.3.2 Bill of Sale. A bill of sale, duly executed by Seller, pursuant to which Seller transfers the Property other than the Real Property Leases and the Other Leases and Contracts to Buyer (the "*Bill of Sale*").

3.3.3 Other. All other documents and papers required to be delivered by Section 4.2 as conditions to the Closing and such other documents and papers with respect to the corporate and other proceedings contemplated by this Agreement (including such documentation relating to third party consents as has been received by Seller, to the extent required to transfer rights of Seller hereunder) as Buyer shall reasonably request.

3.4 Buyer's Deliveries to Seller at Closing. On the Closing Date, Buyer shall make or cause the following deliveries to be made to Seller:

3.4.1 Closing Payment. That portion of the Purchase Price to be delivered by Buyer directly to Seller at the Closing under Section 2.1

3.4.2 Assignment and Assumption Agreement. The Assignment and Assumption Agreement, duly executed by Buyer.

3.4.3 Other. All other documents and papers required to be delivered by Section 4.1 as conditions to the Closing and such other documents and papers with respect to the corporate and other proceedings contemplated by this Agreement (including such documentation as to third party consents as has been received by Buyer) as Seller shall reasonably request.

3.5 Sales, Use and Other Taxes. In accordance with Section 1146(c) of the Bankruptcy Code, the making or delivery of any instrument of transfer, including the filing of any deed or other document of transfer to evidence, effectuate or perfect the rights, transfers and conveyances contemplated by this Agreement, shall be in contemplation of a plan or plans of reorganization to be confirmed in the Case, and as such shall be free and clear of any and all transfer tax, stamp tax, motor vehicle title transfer tax or fee or similar taxes. The instruments transferring the Property to Buyer shall contain the following endorsement, or an endorsement of similar effect:

“Because this [instrument] has been authorized pursuant to Order of the United States Bankruptcy Court for the Southern District of Mississippi, in contemplation of a plan of reorganization of the Grantor, it is exempt from transfer taxes, stamp taxes or similar taxes pursuant to 11 U.S.C. § 1146(c).”

In the event that, notwithstanding the above provisions, any (a) real estate transfer taxes or similar taxes or charges are required to be paid in order to record the deeds to be delivered to Buyer in accordance herewith, or in the event any such taxes are assessed at any time thereafter, or (b) sales, use, transfer or other similar taxes or charges are assessed at Closing or at any time thereafter on the transfer of any other Property, then in each instance such taxes or charges incurred as a result of the transactions contemplated hereby shall be paid by Buyer.

3.6 Possession. Right to possession of the Property shall transfer to Buyer on the Closing Date. Seller shall transfer and deliver to Buyer on the Closing Date such keys, lock and safe combinations and other similar items as Buyer shall require to obtain immediate and full occupation and control of the Property, and shall also make available to Buyer at FGL's premises the originals of all documents in Seller's possession that are required to be transferred to Buyer by this Agreement.

4. Conditions Precedent to Closing.

4.1 Conditions to Seller's Obligations. Seller's obligation to make the deliveries required of Seller at the Closing Date shall be subject to the satisfaction or waiver by Seller of each of the following conditions at or prior to Closing.

4.1.1 Representations and Warranties; Covenants. All of the representations and warranties of Buyer contained herein shall continue to be true and correct at the Closing in all material respects, all covenants and obligations to be performed by Buyer prior to the Closing shall have been performed in all material respects and Buyer shall have certified the foregoing to Seller in writing.

4.1.2 Transfer Documents. Buyer shall have executed and delivered to Seller the Assignment and Assumption Agreement.

4.1.3 Closing Payment. Seller shall have received the total Closing Payment in immediately available funds.

4.1.4 Deposit in Escrow. The Escrow Agent shall hold the Deposit pursuant to joint written instructions from Buyer and Seller.

4.1.5 Successful Bidder. Buyer shall either (i) be the Successful Bidder at the Auction or (ii) shall subsequently be designated the Alternate Successful Bidder, pursuant to Section 8.3.3, in the event the transaction with the Successful Bidder at the Auction does not close.

4.1.6 Buyer's Corporate Action. Buyer shall have delivered to Seller appropriate evidence of all necessary action by Buyer in connection with the transactions contemplated hereby, including, without limitation: (i) certified copies of resolutions duly adopted by Buyer's Board of Directors approving the transactions contemplated by this Agreement and authorizing the execution, delivery, and performance by Buyer of this Agreement; and (ii) a certificate as to the incumbency of officers of Buyer executing this Agreement and any instrument or other document delivered in connection with the transactions contemplated by this Agreement.

4.1.7 Absence of Legal Proceedings. No action, suit or other proceedings shall be pending before any court, tribunal or governmental authority seeking or threatening to restrain or prohibit the consummation of the transactions contemplated by this Agreement, or seeking to obtain substantial damages in respect thereof, or involving a claim that consummation thereof would result in the violation of any law, decree or regulation of any governmental authority having appropriate jurisdiction.

4.1.8 Order of Bankruptcy Court. The Bankruptcy Court shall have entered the Approval Order in accordance with Section 8.3.2 below and the Approval Order shall not have been stayed and shall be a non-appealable order as of the Closing Date.

4.2 Conditions to Buyer's Obligations. Buyer's obligation to make the deliveries required of Buyer at the Closing shall be subject to the satisfaction or waiver by Buyer of each of the following conditions at or before Closing:

4.2.1 Representations and Warranties; Covenants. All representations and warranties of Seller contained herein shall continue to be true and correct at the Closing in all material respects, all covenants and obligations to be performed by Seller prior to the Closing shall have been performed in all material respects and FGH shall have certified the foregoing to Buyer in writing; provided, however, that FGH may certify that its representations and warranties contained in Section 5 of this agreement are true and correct to the best of its actual knowledge.

4.2.2 Transfer Documents. Seller shall have executed and delivered to Buyer the Assignment and Assumption Agreement, the Bill of Sale and each other document reasonably requested by Buyer pursuant to Section 1.3.

4.2.3 Absence of Legal Proceedings. No action, suit or other proceedings shall be pending before any court, tribunal or governmental authority seeking or threatening to restrain or prohibit the consummation of the transactions contemplated by this Agreement, or seeking to obtain substantial damages in respect thereof, or involving a claim that consummation thereof would result in the violation of any law, decree or regulation of any governmental authority having appropriate jurisdiction.

4.2.4 Order of Bankruptcy Court. The Bankruptcy Court shall have entered the

Approval Order in accordance with Section 8.3.2 below and the Approval Order shall not have been stayed and shall be a non-appealable order as of the Closing Date.

4.3 Termination. If any of the above conditions is neither satisfied nor waived on or before the date by which the condition is required to be satisfied, the party who is not then in default hereunder may terminate this Agreement by delivering to the other written notice of termination. Any waiver of a condition shall be effective only if such waiver is stated in writing and signed by the waiving party; provided, however, that the consent of a party to the Closing shall constitute a waiver by such party of any conditions to Closing not satisfied as of the Closing Date.

4.4 Special Termination.

(a) Seller may, at its option, elect to terminate this Agreement and its obligations hereunder at any time on or before the fifth (5th) business day following the completion of the Auction approved by the Procedure Order (or if no Auction is held, five (5) business days following the date set for the Auction) by delivery to Buyer of (i) written notice of termination and (ii) Good Funds in the Amount of the Termination Fee (defined below).

(b) The amount of the termination fee which Seller shall pay Buyer upon its election to terminate this Agreement pursuant to Section 4.4(a) shall be \$600,000 (the "*Termination Fee*"). The Termination Fee shall constitute Buyer's liquidated damages, and Seller's payment of the Termination Fee shall be Buyer's sole and exclusive remedy for Seller's termination of this Agreement under Section 4.4(a) and for any breaches occurring prior to termination pursuant to Section 4.4(a).

5. Seller's Representations and Warranties. Seller hereby makes the following representations and warranties to Buyer as of the date hereof and as of the Closing Date, as follows; *provided however*, that Seller makes no representation or warranty to Buyer hereunder as to any matter that is known to the President, the Senior Vice President or the Manager of Proprietary Technology of FGL as of the date hereof or as of the Closing Date:

5.1 Validity of Agreement. Upon obtaining the Approval Order, this Agreement shall constitute the valid and binding obligation of Seller enforceable in accordance with its terms.

5.2 Organization, Standing and Power. FGL is a corporation duly organized, validly existing and in good standing under the laws of the State of Mississippi and FGH is a corporation duly organized, validly existing and in good standing under the laws of the State of Mississippi. Subject to the applicable provisions of bankruptcy law, the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on part of each Seller and each Seller has all requisite corporate power and authority to own, lease and operate its properties, to carry on its business as now being conducted and, subject to the Seller's obtaining the Approval Order, to execute, deliver and perform this Agreement and all writings relating hereto.

5.3 No Conflicts or Violations. Except in each case for matters (a) that would not individually or in the aggregate have a material adverse effect on the Business or the Property, or (b) that are excused by or unenforceable as a result of the Sellers' filing of the Case, or that are otherwise rendered inapplicable in connection with the Case or the Approval Order:

(i) Upon obtaining the Approval Order, the execution and delivery of this Agreement, the consummation of the transactions herein contemplated, and the performance of, fulfillment of and compliance with the terms and conditions hereof by Seller do not and will not: (A) conflict with or result in a breach of the articles of incorporation or the by-laws of Seller; (B) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority; or (C) violate or conflict with or constitute a default under any agreement, instrument or writing of any nature to which Seller is a party or by which Seller or its assets or properties may be bound.

(ii) Except as listed or described in **Exhibit "H"**, no consent, approval, waiver, exception, order or authorization of, or registration, declaration or filing with, or notice to, any governmental authority is required to be obtained or made by or with respect to Seller or its affiliates in connection with the execution, delivery and performance of this Agreement by Seller or the consummation by it of the transactions contemplated hereby. Without limiting the generality of the foregoing, except for this Agreement, no person has any option, right of first refusal, right of first offer or similar right to purchase or otherwise acquire a portion of the Property or the Business and neither Seller nor any of its affiliates has entered into any letter of intent, commitment or agreement (whether oral or written) regarding any such purchase or acquisition.

5.4 Absence of Changes. Except (a) as described on **Exhibit "I"** or otherwise disclosed in any other Exhibits hereto (b) as expressly contemplated by this Agreement or (c) with regard to any matters known to any member of the management buyout team of Buyer, since November 30, 2001 (except as otherwise expressly indicated), and through the date hereof, the Business has been conducted in the ordinary course consistent with past practice and there has not been: (i) any damage, destruction or casualty loss (whether or not covered by insurance) affecting the Property or the Business which, in any individual case or in the aggregate, has materially impaired FGL's ability to conduct its Business or (ii) any material transaction other than in the ordinary course of Business consistent with past practice, unless approved by Paul R. Geiger, Jr. or any employee under his supervision (collectively, the "Specified Representatives"); or (iii) any material adverse amendment or termination by FGL (other than any amendment or termination approved by any Specified Representative) of any Contract listed in Item 1 of **Exhibit "A-1"** or, except as described in **Exhibit "A-3"**, Items 1, 2, 3 or 4 of **Exhibit "A-3"**, or the termination of any material rights to the intellectual property described in items C and D of **Exhibit "A-4"**.

5.5 Compliance with Applicable Laws; Governmental Authorizations. Except as described on **Exhibit "J"** and except for any matters that would not result in any fine or monetary obligation being imposed on Buyer or, after giving affect to the Approval Order, on the Property (a) the Business is not being and has not been conducted in violation of, and Seller is not in default in any material respect under, any applicable law including but not limited to the export laws and regulations of the United States of America, (b) Seller has not received notice of

any such violation with respect to the Business and (c) Seller knows of no basis for any allegation of material non-compliance with any applicable law by Seller or any facts which, with or without the giving of notice or passage of time, would reasonably be expected to result in a material non-compliance with any applicable law by Seller with respect to the Business. Seller has all material Permits and authorizations necessary in the conduct of the Business as presently conducted; such Permits and authorizations are in full force and effect; and no proceeding is pending against Seller or, to the actual knowledge of Seller, pending against any such Person or threatened to revoke or limit any thereof.

5.6 Title to Property and Related Matters. Except as described in **Exhibit "A-3"**, **Exhibit "A-4"**, **Exhibit "A-4b"**, or **Exhibit "J"**, Seller has good, valid and marketable title to (or valid and enforceable leasehold, license or interests in) the Property, which will be sold to Buyer free and clear of all mortgages, liens, security interests, easements, covenants, restrictions or other encumbrances (collectively, "*Liens*") pursuant to the Approval Order, except for Liens expressly provided in this Agreement.

5.7 Intellectual Property. Except for matters that would not have a material adverse effect on the Business, to the actual knowledge of the President, Chief Executive Officer, Executive Vice President and Senior Vice President—Finance of FGH and the Chief Executive Officer of FGL:

5.7.1 The Intellectual Property is identified on **Exhibit "A-4"** and it is all the intellectual property that seller needs to operate the Business and, except as described on **Exhibit "A-4"**, Seller owns all right, title, and interest in and to or, as identified in **Exhibit "A-4"**, has the right to use pursuant to a legal, valid, binding, and enforceable license, sublicense, agreement or permission all Intellectual Property and, to the knowledge of Seller, (a) no material breach or default exists with respect to Seller's right to own and use the Intellectual Property granted to Seller by third parties, (b) no third party has interfered with, infringed upon, misappropriated, or otherwise come into conflict with any Intellectual Property except as set forth on **Exhibit "A-4a"**, and (c) no action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand is pending or threatened which challenges the legality, validity or enforceability of the underlying item of Intellectual Property.

5.7.2 Except as set forth on **Exhibit "A-4b"**, Seller has not, and to the knowledge of Seller, Buyer will not, as a result of the continued operation of the Business by Buyer as presently conducted, interfere with, infringe upon, misappropriate, or otherwise come into conflict in the ownership or operation of the Business with any intellectual property rights of third parties, and none of Seller, any director, executive officer or Employee of Seller has received any charge, complaint, claim, demand or notice alleging any such interference, infringement, misappropriation or violation (including any claim that Seller must license or refrain from using any intellectual property rights of any third party).

5.7.3 **Exhibit "A-4c"** identifies each license, sublicense, agreement or other permission which Seller has granted or agreed to grant to any third party and any Intellectual Property granted to Seller by third parties with respect to any of its Intellectual Property, and **Exhibit "A-4"** identifies each trade name used by Seller predominantly in connection with the Business. Except as set forth on **Exhibit "A-4"**, with respect to each item of Intellectual

Property, (a) Seller possesses and has the right to assign all right, title, and interest in and to or a valid license, sublicense, agreement or other permission to use such item, free and clear of any Lien, injunction, judgment, order, decree, ruling or charge, or any pending or threatened action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand and (b) Seller has not, except in the ordinary course of business, agreed to indemnify any person for or against any interference, infringement, misappropriation or other conflict with respect to the item.

5.8 Accounts Receivable. All accounts receivable included in the Property represent billings actually made in the ordinary course of business, and, to Seller's knowledge, are valid obligations of the obligors thereon in the amounts included in respect thereof in Current Assets. No representation or warranty is made by Seller with respect to percentage completion of Contracts.

5.9 Contract Obligations. Upon the Closing, and after giving effect to the transactions set forth herein and the Approval Order, Buyer shall not be bound by or subject to any agreement or contract, written or oral, of Seller or any of its affiliates other than obligations and liabilities under the Contracts that are included among the Assumed Liabilities.

5.10 Closing Date. All of the representations and warranties of Seller in this Section 5 and elsewhere in this Agreement and all information delivered in any schedule, attachment or exhibit hereto (including all amendments and supplements thereto) or in any certificate delivered by Seller to Buyer are accurate and complete as of the date of this Agreement and will be true and correct in all material respects as of the Closing Date.

6. Buyer's Representations and Warranties. Buyer hereby makes the following representations and warranties to Seller as of the date hereof and as of the Closing Date:

6.1 Validity of Agreement. All action on the part of Buyer necessary for the authorization, execution, delivery and performance of this Agreement by Buyer, including, but not limited to, the performance of Buyer's obligations hereunder, has been duly taken. This Agreement, when executed and delivered by Buyer, shall constitute the valid and binding obligation of Buyer enforceable in accordance with its terms.

6.2 Organization, Standing and Power. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Buyer has all requisite corporate power and authority to own, lease and operate its properties, to carry on its business as now being conducted and to execute, deliver and perform this Agreement and all writings relating hereto.

6.3 No Conflicts or Violations. (a) The execution and delivery of this Agreement, the consummation of the transactions herein contemplated, and the performance of, fulfillment of and compliance with the terms and conditions hereof by Buyer do not and will not: (i) conflict with or result in a breach of the articles of organization or regulations of Buyer; (ii) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority; or (iii) violate or conflict with or constitute a default under any agreement, instrument or writing of any nature to which Buyer is a party or by which Buyer or its assets or properties may be bound.

(b) Except for approval by the Bankruptcy Court, no consent, approval, waiver, exception, order or authorization of, or registration, declaration or filing with, or notice to, any governmental authority is required to be obtained or made by or with respect to Buyer or its affiliates in connection with the execution, delivery and performance of this Agreement by Seller or the consummation by it of the transactions contemplated hereby.

6.4 Funds. Buyer has sufficient funds available to consummate the transactions contemplated hereby.

7. DISCLAIMERS OF SELLER. BUYER HEREBY ACKNOWLEDGES AND AGREES THAT, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO ANY MATTER RELATING TO THE PROPERTY INCLUDING, WITHOUT LIMITATION, INCOME TO BE DERIVED OR EXPENSES TO BE INCURRED IN CONNECTION WITH THE PROPERTY, THE PHYSICAL CONDITION OF ANY PERSONAL PROPERTY COMPRISING A PART OF THE PROPERTY OR WHICH IS THE SUBJECT OF ANY OTHER LEASE OR CONTRACT TO BE ASSUMED BY BUYER AT THE CLOSING, THE ENVIRONMENTAL CONDITION OR OTHER MATTER RELATING TO THE PHYSICAL CONDITION OF ANY REAL PROPERTY OR IMPROVEMENTS WHICH ARE THE SUBJECT OF ANY REAL PROPERTY LEASE TO BE ASSUMED BY BUYER AT THE CLOSING, THE ZONING OF ANY SUCH REAL PROPERTY OR IMPROVEMENTS, THE VALUE OF THE PROPERTY (OR ANY PORTION THEREOF), THE TRANSFERABILITY OF PROPERTY, THE TERMS, AMOUNT, VALIDITY OR ENFORCEABILITY OF ANY ASSUMED LIABILITIES, THE TITLE OF THE PROPERTY (OR ANY PORTION THEREOF) THE MERCHANTABILITY OF FITNESS OF THE PERSONAL PROPERTY OR ANY OTHER PORTION OF THE PROPERTY FOR ANY PARTICULAR PURPOSE, OR ANY OTHER MATTER OR THING RELATING TO THE PROPERTY OR ANY PORTION THEREOF, WITHOUT IN ANY WAY LIMITING THE FOREGOING, SELLER HEREBY DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AS TO ANY PORTION OF THE PROPERTY. BUYER FURTHER ACKNOWLEDGES THAT BUYER HAS CONDUCTED AN INDEPENDENT INSPECTION AND INVESTIGATION OF THE PHYSICAL CONDITION OF THE PROPERTY AND ALL SUCH OTHER MATTERS RELATING TO OR AFFECTING THE PROPERTY AS BUYER DEEMED NECESSARY OR APPROPRIATE AND THAT IN PROCEEDING WITH ITS ACQUISITION OF THE PROPERTY, EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT, BUYER IS DOING SO BASED SOLELY UPON SUCH INDEPENDENT INSPECTIONS AND INVESTIGATIONS. ACCORDINGLY, BUYER WILL ACCEPT THE PROPERTY AT THE CLOSING "AS IS," "WHERE IS," AND "WITH ALL FAULTS."

8. Covenants Prior to Closing.

8.1 Access to Records and Properties of Seller. From and after the date of this Agreement until the Closing Date, Seller shall, upon reasonable advance notice, afford to Buyer's officers, independent public accountants, counsel, lenders, consultants and other representatives, reasonable access during normal business hours to the Property and all records pertaining to the

Property or the Business. Buyer, however, shall not be entitled to access to any materials containing information in respect of any items excluded from the Intangible Property under Section 1.1.8. Buyer shall have no right hereunder to conduct any environmental or other assessment of the Property other than visual inspection and document review; provided, however, that Buyer may have a Phase I environmental assessment of the Real Property and the property subject to the Real Property Leases conducted by an environmental consultant of Buyer's choice. Buyer expressly acknowledges that nothing in this Section 8.1 is intended to give rise to any contingency to Buyer's obligations to proceed with the transactions contemplated herein.

8.2 Operation of Seller's Business Pending Closing. Unless Buyer otherwise consents, during the period prior to the Closing Date, Seller shall use commercially reasonable efforts to operate the Business as currently operated and only in the ordinary course and, consistent with such operation, shall use commercially reasonable efforts to preserve intact the Business and its relationships with employees and persons having dealings with it.

8.3 Bankruptcy Court Approvals.

8.3.1 [Reserved].

8.3.2 Bankruptcy Court's Approval of Sale. Pursuant to the motion filed with the Bankruptcy Court (the "*Sale Motion*"), the Sellers have requested entry of an order on an expedited basis (such order, in the form entered by the Bankruptcy Court, the "*Approval Order*") which (i) approves the sale of the Property to the highest overbidder at the auction (the "*Auction*") for the Business (the "*Successful Bidder*"), (ii) includes a specific finding that the Successful Bidder is a good faith purchaser of the Property, (iii) states that the sale of the Property to the Successful Bidder shall be free and clear of all liens, encumbrances, offsets, arrearages, damages, and other claims and interests of any kind whatsoever (except as expressly provided in this Agreement), whether arising under terms of any contract assigned to the Successful Bidder pursuant to such sale or otherwise, (iv) approves the Seller's assumption and assignment of the pre-petition Real Property Leases and Other Leases and Contracts (collectively, the "*Section 365 Contracts*") pursuant to Section 365 of the United States Bankruptcy Code and orders the Successful Bidder to pay any cure amounts payable to the other parties to the Section 365 Contracts as a condition to such assumption and assignment. In no event shall the Successful Bidder have the right to terminate this transaction by reason of the failure to assign all of the Section 365 Contracts so long as the Approval Order authorizes the Seller to assume and assign not less than ninety five percent (95%) both in number and aggregate value in dollars of such Section 365 Contracts. Following the filing of the Sale Motion, the Seller shall use reasonable efforts to obtain entry of the Approval Order. Both Buyer's and Seller's obligations to consummate the transactions contemplated in this Agreement shall be conditioned upon the Bankruptcy Court's entry of the Approval Order.

8.3.3 Alternative Successful Bidder. If Buyer is not the Successful Bidder, then Buyer agrees to be a back-up bidder (the "*Back-Up Bidder*") and to purchase the Property pursuant to the terms of this Agreement in the event that the sale of the Business to the Successful Bidder fails to close, and in such event, Buyer shall be designated the Alternate Successful Bidder; *provided*, that in such an event, the Purchase Price specified in Section 2.1.1

shall be Fifteen Million United States Dollars (US\$15,000,000).

8.4 Intellectual Property. If prior to the Closing Date and on the advice of counsel the parties mutually deem it necessary or advisable to protect or further confirm their rights in the Intellectual Property allocated to them under this Agreement, then the parties shall in good faith negotiate and enter into appropriate licensing, cross-licensing, consent or similar agreements with respect to such Intellectual Property.

8.5 License to FGO. FGL and Buyer, and their respective successors and assigns, (collectively, "*Grantors*") for a period of fifteen (15) years after the Closing Date, in consideration for cash payments based on the demonstrable market value of such licenses, will grant, under customary terms and conditions, a separate, nonexclusive, worldwide license (each, a "*License*") to each of Friede Goldman Offshore, Inc., and its successors and assigns (including any entity formed in connection with any reorganization thereof) (collectively, "*FGO*"), PPL Shipyard Pte Ltd. ("*PPL*") and Jurong Shipyard Pte Ltd to construct and sell marine vessels using the Intellectual Property, including the ARCOS Rack Chock System (the "*Rack Chock*"); *provided*, that such market value shall, with respect to FGO, be no greater than the license fees paid by PPL for the JU-2000 and the FGL semi-submersible designs under contract with Santa Fe International Corporation, less a discount of twenty-five percent (25%) (the "*Discount*"); *provided further*, that (i) Grantors shall have no obligation to offer the Discount to a competitor of Grantors in the event that FGO, or substantially all of FGO's assets, is sold, transferred or assigned to such competitor and (ii) FGO shall not sell, transfer, or assign the right to such Licenses and/or the Discount to any competitor of Grantors. Notwithstanding the foregoing, Grantors will grant to FGO, under customary terms and conditions, a nonexclusive, worldwide license for no less than a period of ten (10) years after the Closing Date for the Rack Chock for \$400,000 per rig to be constructed for, and sold to, any person or entity; *provided, however*, that there shall be no Discount on, and the Discount shall not apply to, the Rack Chock. In addition, PPL Shipyard Pte Ltd. ("*PPL*") has advised Buyer that if Buyer is the Successful Bidder, PPL will withdraw its Objection of PPL Shipyard Pte Ltd. To Motion for Order Authorizing Certain Debtors to (i) Sell Assets and to Assume, Assign and Sell Certain Executory Contracts and Unexpired Leases that Relate Thereto Free and Clear of All Liens, Claims, Encumbrances, and Interests and (ii) to Establish Cure Amounts Related to Assumed and Assigned Contracts and Unexpired Leases.

8.6 Further Actions. The Parties each agree to use all commercially reasonable efforts to take all actions and to do all things necessary, proper or advisable in good faith to expedite the consummation of the transactions contemplated hereby by the expected Closing Date.

9. Post Closing Covenants.

9.1 Post-Closing Maintenance of and Access to Information. Without limiting Seller's rights under Section 10.2 with respect to the Case, Buyer will also comply with the following provisions:

- (a) The parties acknowledge that after Closing Seller or its successors may need access to information or documents in the control or possession of Buyer for the purposes of concluding the transactions herein contemplated, preparing or filing tax

returns or responding to audits, Contracts and to satisfy other legal requirements, and to prosecute or defend third party claims.

(b) Buyer shall not dispose of or destroy any of the records and files of the Business prior to the fourth anniversary of the Closing Date. If Buyer wishes to dispose of or destroy such records and files after that time, it shall first give fifteen (15) days' prior written notice to Seller, and Seller shall have the right, at its option and expense, upon prior written notice to Buyer within such sixty-day period, to take possession of the records and files within ninety (90) days after the date of the notice from Seller.

(c) Buyer shall cooperate fully in connection with, and make available for inspection and copying by, Seller, its successors, and their respective employees, agents, counsel and accountants and/or governmental authorities, upon written request, such books, records documents and other information to the extent reasonably necessary to facilitate the purposes set forth in subsection (a) above and for other legitimate corporate purposes. In addition, Buyer shall cooperate with, and shall permit and use its best efforts to cause, its former and present directors, officers and employees to cooperate with, Seller on and after Closing in furnishing information, evidence, testimony and other assistance in connection with any action, proceeding, arrangement or dispute of any nature with respect to the Business or the Property and pertaining to periods prior to the Closing Date.

(d) Seller shall be entitled to retain any records that relate to events or periods prior to Closing for purposes of pending litigation involving matters to which such records refer.

9.2 Offer and Terms of Employment.

9.2.1 Offer of Employment. Buyer agrees to offer (or to cause one of its affiliates to offer) employment to each Employee who is in the active employment of the Business on the Closing Date on substantially the same terms and conditions, in the aggregate, and at the same rate of pay, as such Employee was employed on the day prior to the Closing Date and will offer such employment to any inactive Employee on the date the Employee returns to work as an active employee if such return occurs within twelve (12) weeks of the Closing Date (each such Employee who accepts Buyer's offer of employment, a "*Continuing Employee*"); provided, however, that this provision shall not prevent Buyer from terminating any Continuing Employee for any reason, or from changing the terms and conditions of employment and/or the rate of pay in its sole discretion. Notwithstanding anything herein to the contrary, Buyer shall not be obligated to offer employment to any of the individuals identified in writing by Buyer to Seller prior to the date of this Agreement.

9.2.2 COBRA. Buyer shall be responsible for providing any required COBRA continuation coverage to "M & A Qualified Beneficiaries" (as defined in Treasury Regulation Section 54.4980B-9, Q/A-4) resulting from the sale of the Business regardless of whether Buyer is (or becomes) a "successor employer" (as defined in Treasury Regulation Section 54.4980B-9 (Q/A-8(c))).

9.2.3 Employee Benefits. Buyer or any of its affiliates may, at their sole discretion, offer employment to any employee of the Business on terms and conditions as they deem appropriate. Buyer will grant to all employees of Seller who become employees of Buyer (the "*Continuing Employees*") service credit for previous service recognized by Seller for purposes of vacation and other benefits, and will credit Continuing Employees with their prior service for purposes of calculating vacation time earned in the period following the Closing Date. In addition, Buyer shall permit all Continuing Employees to participate in Buyer's then-current medical plans without preexisting condition exclusions, waiting times to commence coverage, or other lapses in coverage.

9.3 Bennett Lawsuit. Buyer shall cooperate with FGH and provide assistance as reasonably requested by FGO or FGH in the case styled *Friede & Goldman, Ltd. v. William T. Bennett, Jr. and Bennett & Associates, L.L.C.*, Civil Action No. 3.02CV13BN, pending in the United States District Court for the Southern District of Mississippi (the "*Bennett Suit*") , and any derivative lawsuit and claim therefrom, or any cause of action or claim arising against any part or parties out of the facts and circumstances giving rise to the Bennett Suit, *provided*, that FGH shall reimburse Buyer for all reasonable costs incurred by Buyer for any such assistance. In settling the Bennett Suit, if such suit is settled, Seller shall use reasonable efforts to preserve the value of the Intellectual Property which is the subject of the Bennett Suit; *provided, however*, that Seller shall have no obligation whatsoever to pursue or prosecute the Bennett Suit and may abandon such proceedings at any time in its sole discretion.

10. Miscellaneous.

10.1 Attorneys' Fees. In the event that either party hereto brings an action or other proceeding to enforce or interpret the terms and provisions of this Agreement, the prevailing party in that action or proceeding shall be entitled to have and recover from the non-prevailing party all such fees, costs and expenses (including, without limitation, all court costs and reasonable attorneys' fees) as the prevailing party may suffer or incur in the pursuit or defense of such action or proceeding.

10.2 Reasonable Access to Records and Certain Personnel. So long as the Case is pending, (i) the Buyer shall permit Seller's counsel and other professionals employed in the Case reasonable access to the financial and other books and records relating to the Property or the Business (whether in documentary or data form) for the purpose of the continuing administration of the Case (including, without limitation, the pursuit of any avoidance, preference or similar action), which access shall include (a) the right of such professionals to copy, at the Seller's expense, such documents and records as they may request in furtherance of the purposes described above, and (b) Buyer's copying and delivering to Seller or its professionals such documents or records as they may request, but only to the extent Seller or its professionals furnishes Buyer with reasonably detailed written descriptions of the materials to be so copied and Seller reimburses the Buyer for the reasonable costs and expenses thereof), and (ii) Buyer shall provide the Seller and such professionals (at no cost to the Seller) with reasonable access to the President, the Senior Vice President or the Manager of Proprietary Technology of FGL during regular business hours to assist the Seller in the continuing administration of the Case, provided that such access does not unreasonably interfere with the Buyer's business operations.

10.3 Notices. Unless otherwise provided herein, any notice, tender, or delivery to be given hereunder by either party to the other may be effected by personal delivery in writing, or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of the date of mailing. Mailed notices shall be addressed as set forth below, but each party may change his address by written notice in accordance with this paragraph.

To Seller: Friede Goldman Halter, Inc.
13085 Seaway Road
Gulfport, Mississippi 39503
Phone: 228-897-4800
Fax: 228-897-4803
Attn: Jack R. Stone, Jr.

With a copy to: Andrews & Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002-3090
Phone: 713-220-4528
Fax: 713-238-7246
Attn: Doug Walter

And

Houlihan Lokey Howard & Zukin
3475 Piedmont Road, Suite 950
Atlanta, Georgia 30305
Phone: 404-495-7000
Fax: 404-495-9545
Attn: James D. Decker

To Buyer: United Heavy B.V.
Jan Luijkenstraat 92-N
1071 CT
Amsterdam, The Netherlands
Phone: +31 20 379 50 76
Fax: +31 20 379 50 77
Attn: Bauke van der Meer

And

United Heavy Machinery
25 Build. 1, Brmolaevskiy per.
Moscow, 103379 Russia
Attn: Kakha A. Bendookidze

And

Technology Market Strategies
Monmouth House, The Hill, Almondsbury
Bristol, BS32 4AE, United Kingdom
Attn: Geoff Crocker

With a copy to: McGlinchey Stafford, PLLC
Skytel Centre South, Suite 1100
Jackson, Mississippi 39201
Phone: 601-960-8400
Fax: 601-960-8406

10.4 Entire Agreement. This instrument and the documents to be executed pursuant hereto contain the entire agreement between the parties relating to the sale of the Property. Any oral representations or modifications concerning this Agreement or any such other document shall be of no force and effect excepting a subsequent modification in writing, signed by the party to be charged.

10.5 Modification. This Agreement may be modified, amended or supplemented only by a written instrument duly executed by all the parties hereto.

10.6 Closing Date. All actions to be taken on the Closing pursuant to this Agreement shall be deemed to have occurred simultaneously, and no act, document or transaction shall be deemed to have been taken, delivered or effected until all such actions, documents and transactions have been taken, delivered or effected.

10.7 Severability. Should any term, provision or paragraph of this Agreement be determined to be illegal or void or of no force and effect, the balance of the Agreement shall survive except that, if Buyer cannot acquire and Seller cannot sell substantially all of the Property, either party may terminate this Agreement, and it shall be of no further force and effect, unless both parties agree in writing to the contrary.

10.8 Captions. All captions and headings contained in this Agreement are for convenience of reference only and shall not be construed to limit or extend the terms or conditions of this Agreement.

10.9 Further Assurances. Each party hereto will execute, acknowledge and deliver any further assurance, documents and instruments reasonably requested by any other party hereto for the purpose of giving effect to the transactions contemplated herein or the intentions of the parties with respect thereto.

10.10 Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

10.11 Brokerage Obligations. Seller is represented by HLHZ as its exclusive sale agent with respect to the transactions contemplated herein pursuant that certain order entered by the Bankruptcy Court on October 30, 2001 and HLHZ's commission, fees and expenses are to be paid by the Seller in accordance with the terms and provisions of such order. Pursuant to HLHZ's agreement with Seller, the commission due to Seller from the transactions contemplated herein are a cost of sale payable directly out of the proceeds from the sale. The Seller and the Buyer each represent and warrant to the other that, except for HLHZ, such party has incurred no liability to any real estate broker or agent with respect to the payment of any commission regarding the consummation of the transaction contemplated hereby. Except for any claims of HLHZ (which are to be handled and satisfied by Seller in accordance with the above referenced order), it is agreed that if any claims for commissions, fees or other compensation, including, without limitation, brokerage fees, finder's fees, or commissions are ever asserted against Buyer or the Seller in connection with this transaction, all such claims shall be handled and paid by the party whose actions form the basis of such claim and such party shall indemnify, defend (with counsel reasonably satisfactory to the party entitled to indemnification), protect, and save and hold the other harmless from and against any and all such claims or demands asserted by any person, firm or corporation in connection with the transaction contemplated hereby.

10.12 Payment of Fees and Expenses. Each party to this Agreement shall be responsible for, and shall pay, all of its own fees and expenses, including those of its counsel, incurred in the negotiation, preparation and consummation of the Agreement and the transaction described herein.

10.13 Survival. Except for the covenants and agreements that are expressly to be performed after the Closing Date, none of the respective representations and warranties, covenants and agreements of Seller and Buyer herein, or in any certificates or other documents delivered prior to or at the Closing, shall survive the Closing, and Seller shall not be responsible for any post-closing liability (other than the Excluded Liabilities) or indemnification in respect thereof; *provided, however*, that nothing set forth in this Section 10.13 shall diminish Seller's obligation to make any payments, if required to be made by Seller, pursuant to Section 2.3.4.

10.14 Assignments. This Agreement shall not be assigned by either party hereto without the prior written consent of the other party hereto.

10.15 Binding Effect. Subject to the provisions of Section 10.14 above, this Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties hereto.

10.16 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of Texas .

10.17 Good Faith. All parties hereto agree to do all acts and execute all documents required to carry out the terms of this Agreement and to act in good faith with respect to the terms and conditions contained herein before and after Closing.

10.18 Construction. In the interpretation and construction of this Agreement, the parties acknowledge that the terms hereof reflect extensive negotiations between the parties and that this

Agreement shall not be deemed, for the purpose of construction and interpretation, drafted by either party hereto.

10.19 Counterparts. This Agreement may be signed in counterparts. The parties further agree that this Agreement may be executed by the exchange of facsimile signature pages.

10.20 Time is of the Essence. Time is of the essence in this Agreement, and all of the terms, covenants and conditions hereof.

10.21 Tax Effect. None of the parties (nor such parties' counsel or accountants) has made or is making in this Agreement any representation to any other party (or such party's counsel or accountants) concerning any of the tax effects or consequences on the other party of the transactions provided for in this Agreement. Each party represents that it has obtained, or may obtain, independent tax advice with respect thereto and upon which it, if so obtained, has solely relied.

10.22 Employee Withholding. The parties agree that, pursuant to the "Alternative Procedure" provided in Section 5 of Revenue Procedure 96-60, 1996-2 C.B. 399, with respect to filing and furnishing IRS Forms W-2, W-3, and 941, (a) Seller shall report on a "predecessor-successor" basis, as set forth therein, (b) Seller shall be relieved from furnishing Forms W-2 to any of the employees of Seller who become employees of Buyer, and (c) Buyer shall assume the obligations of Seller to furnish such Forms W-2 to such employees for the year in which the Closing occurs.

10.23 Bankruptcy Court Jurisdiction. BUYER AND SELLER AGREE THAT THE BANKRUPTCY COURT SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING; TO (i) THE INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT HERETO; AND/OR (ii) THE PROPERTY AND/OR ASSUMED LIABILITIES, AND BUYER EXPRESSLY CONSENTS TO AND AGREES NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION.

10.24 Confidentiality Agreement. The Confidentiality Agreement dated as of November 1, 2001 between Buyer and Seller (the "*Confidentiality Agreement*") shall remain in full force and effect during the term specified therein.

10.25 Waiver of Trade Practices Act.

(a) IT IS THE INTENTION OF THE PARTIES THAT BUYER'S RIGHTS AND REMEDIES WITH RESPECT TO THIS TRANSACTION AND WITH RESPECT TO ALL ACTS OR PRACTICES OF SELLER, PAST, PRESENT OR FUTURE, IN CONNECTION WITH THIS TRANSACTION SHALL BE GOVERNED BY LEGAL PRINCIPLES OTHER THAN THE DECEPTIVE TRADE PRACTICES ACT ("*DTPA*"). AS SUCH, BUYER HEREBY WAIVES THE APPLICABILITY OF THE DTPA TO THIS TRANSACTION AND ANY AND ALL DUTIES, RIGHTS OR REMEDIES THAT MIGHT BE IMPOSED BY THE DTPA, WHETHER SUCH DUTIES, RIGHTS AND REMEDIES ARE APPLIED DIRECTLY BY THE DTPA ITSELF OR INDIRECTLY IN CONNECTION WITH OTHER STATUTES;

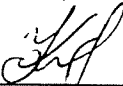
PROVIDED, HOWEVER, BUYER DOES NOT WAIVE § 17.555 OF THE DTPA. BUYER ACKNOWLEDGES, REPRESENTS AND WARRANTS THAT IT IS PURCHASING THE GOODS AND/OR SERVICES COVERED BY THIS AGREEMENT FOR COMMERCIAL OR BUSINESS USE; THAT IT HAS ASSETS OF \$5 MILLION OR MORE ACCORDING TO ITS MOST RECENT FINANCIAL STATEMENT PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES; THAT IT HAS KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT ENABLE IT TO EVALUATE THE MERITS AND RISKS OF A TRANSACTION SUCH AS THIS; AND THAT IT IS NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION WITH SELLER.

(b) TO THE MAXIMUM EXTENT PERMITTED BY LAW, BUYER HEREBY WAIVES ALL PROVISIONS OF THE DTPA.

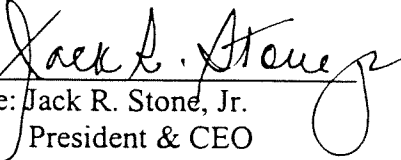
(c) BUYER EXPRESSLY RECOGNIZES THAT THE PRICE FOR WHICH SELLER HAS AGREED TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT HAS BEEN PREDICATED UPON THE INAPPLICABILITY OF THE DTPA AND THIS WAIVER OF THE DTPA. BUYER FURTHER RECOGNIZES THAT SELLER, IN DETERMINING TO PROCEED WITH THE ENTERING INTO OF THIS AGREEMENT, HAS EXPRESSLY RELIED ON THIS WAIVER AND THE INAPPLICABILITY OF THE DTPA.

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the day and year first above written.

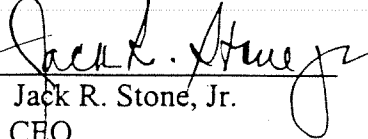
UNITED HEAVY B.V.

By: 
Name: K. L. Sparts
Its: Representative

FRIEDE GOLDMAN HALTER, INC.

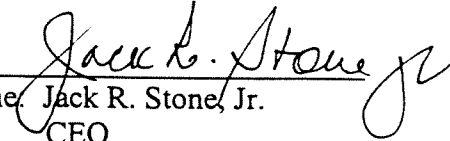
By: 
Name: Jack R. Stone, Jr.
Its: President & CEO

FRIEDE & GOLDMAN LTD.

By: 
Name: Jack R. Stone, Jr.
Its: CEO

The undersigned hereby executes this Agreement for the sole purpose of agreeing to transfer that certain Real Property Lease listed in **Exhibit "A-1"** of which the undersigned is the lessee and any and all Personal Property listed in **Exhibit "C"** to which it has title:

FRIEDE GOLDMAN OFFSHORE, INC.

By: 
Name: Jack R. Stone, Jr.
Its: CEO

The undersigned hereby executes this Agreement for the sole purpose of agreeing to transfer that any and all Personal Property listed in **Exhibit "C"** to which it has title:

FRIEDE GOLDMAN OFFSHORE TEXAS, L.P.

By: Maritime Holdings, Inc., its general partner

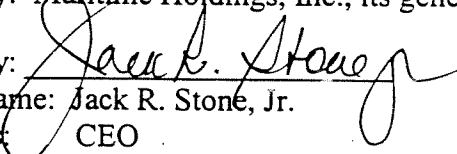
By: 
Name: Jack R. Stone, Jr.
Its: CEO

EXHIBIT A-1

Real Property Leases

<u>Lease Description</u>	<u>Index Number</u>
1. Lease Agreement dated February 6, 1998, between Friede Goldman International (predecessor-in-interest to Friede Goldman Halter, Inc.), as Tenant, and Enserch Corporation, a Texas corporation, as Landlord, covering Suites 1200, 1250, 1275, 1615 (formerly Suite 1620C) and 1627 (formerly Suite 1690), 10375 Richmond, Houston, Texas. Such Lease Agreement as amended by (a) First Amendment to Lease Agreement dated February 18, 2000, between Caroline Partners, Ltd., a Texas limited partnership (successor to Landlord) and Friede Goldman International, and (b) Second Amendment to Lease Agreement dated April 17, 2000, between Caroline Partners, Ltd. and Friede Goldman Halter, Inc. Assignment of Lease Agreement, dated June 14, 2000, by and between Friede Goldman Halter, Inc. and Friede Goldman Offshore, Inc. (" FGO ").	1,305
2. Sublet of Lease for portion of Suite 1615 (formerly Suite 1620C) dated May 23, 2000, between Brightstar Information Technology Group, Inc., as Tenant and FGO, as Subtenant, pursuant to which FGO subleases a portion of Suite 1615 (formerly Suite 1620C) until November 30, 2002, at which time the lease of Suite 1615 (formerly Suite 1620C) under the February 6, 1998 Lease Agreement, as amended, commences.	1,306
3. Private Mini Storage Rental Agreement, dated as of July 10, 2000, by and between FGO and Private Mini Storage, Inc. for Storage Space Number 8204 located at 2890 W. Sam Houston Pkwy, Houston, Texas.	960

EXHIBIT A-2

Other Leases

<u>Lease Description</u>	<u>Index No.</u>
1. License Agreement, Lease by and between Friede & Goldman Ltd. (" <u>FGL</u> ") and Algor, Inc. (Software Upgrade Subscription Program)	44
2. Lease by and between FGL and Engineering Dynamics, Inc. (SACS System Software Modules).	42
3. Maintenance and Update Service by and between FGL and Engineering Dynamics, Inc. (SACS System Software Modules).	42
4. Lease Agreement by and between FGL and Citicorp Vendor Finance, Inc. (2 copier & fax machine)	961
5. Hydrocomp End-User License Agreement, dated as of December 5, 2001, by and between FGL and HydroComp, Inc. (NAVCAD Software).	1,700
6. Software License Agreement, by and between FGL and Century Dynamics Limited (AQWA and FEMGV) (invoice only).	1,701
7. Software License Agreement, by and between FGL and Autoship Systems Corporation (Autoship Pro) (invoice only).	1,702
8. Software License and Maintenance Agreement, by and between FGL and Ultramarine, Inc. (Moses Software) (letter only).	1,704
9. Software License Maintenance Agreement, dated as of November 1, 1998, by and between FGL and Crescent Vision Interactive, LLC (FGL Wind Program).	1,705
10. Records Management and Service Agreement, dated as of September 21, 1998, by and between FGL and Iron Mountain.	1,706

EXHIBIT A-3

Other Contracts

<u>Contract Description</u>	<u>Index No.</u>
1. Agreement, dated as of March 8, 2001, by and between Friede & Goldman, Ltd. (" <u>FGL</u> ") and PPL Shipyard Pte Ltd. (License for JU2000 Type Jack Up Drilling Unit) and all other contracts, arrangements, agreements, commissions and purchase orders entered into or committed to by FGL in connection with such Project.	962
2. Agreement, dated as of May 23, 2001, by and between FGL and PPL Shipyard Private Limited (License for Rack Chock System) and all other contracts, arrangements, agreements, commissions and purchase orders entered into or committed to by FGL in connection with such Project. ¹	963
3. Agreement, dated as of May 23, 2001, by and between FGL and PPL Shipyard Private Limited (License for 7381-S Semi Submersible Drilling Unit) and all other contracts, arrangements, agreements, commissions and purchase orders entered into or committed to by FGL in connection with such Project.	964
4. License Agreement, dated as of June 29, 2001, by and between FGL and PPL Shipyard Pte Ltd. (license for offshore structures for oil and gas exploration and production):	966
5. Proposal by FGL, dated as of December 13, 2001, accepted by Noble Drilling Services Inc. (Project #D7446) on December 19, 2001 (Noble Roy Butler-Elevated Load Analyses).	967
6. Proposal by FGL, dated as of January 8, 2002, to ENSCO International Inc. (Project #D7443) (Ensco 54 Hull Reinforcement).	968
7. Service Agreement, dated as of September 27, 2000, by and between Friede Goldman Halter and A&E Products Company, Inc. (Xerox 8830 Plotter).	969
8. Proposal by FGL, dated as of November 27, 2001, to ENSCO International (Mod II Lower Flange Analysis). ²	970

¹ Cancelled.

² Completed.

9. Quotation by FGL, dated as of September 14, 2001, accepted by ENSCO International Inc. on October 2, 2001 (Project #7438) (Ensco 51 Global Strength and Elevated Load Analysis).³ 971
10. Proposal by FGL, dated as of January 7, 2002, accepted by ENSCO International Inc. on January 10, 2002 (Project #D7444) (Ensco 51 Guides, Wedges, and Transit Restraint).⁴ 972
11. Purchase Order, dated as of May 18, 2001, by and between FGL and Mariner Energy, Inc. (MVP 3 Production Unit for MARINER's Falcon Field Development).⁵ 973
12. Proposal by FGL, dated as of March 14, 2002, accepted by Global Santa Fe on April 22, 2002 (Project #D7457) (*Monarch & Monitor* Nomograms). 1,822
13. Proposal by FGL, dated as of April 16, 2002, to Noble Drilling Services (Project #D7456) (*Leg inspection of Noble Percy Johns*). 1,823
14. Main Purchase Agreement, dated as of February 8, 2001, by and between FGL and PPL Shipyard Private Ltd., and all other contracts, arrangements, agreements, commissions and purchase orders entered into or committed to by FGL in connection with such Project. 1,707
15. Engineering Consultant Agreement, dated as of November 27, 2001, by and between FGL and Santa Fe International Corporation, and all other contracts, arrangements, agreements, commissions and purchase orders entered into or committed to by FGL in connection with such Project. 1,817
16. JU2000 Project Execution Plan, by and between FGL and Santa Fe International Corp (7126-J JU2000 Jack Up Drilling Unit). 1,818
17. Consulting Agreement, dated as of December 2, 1996, by and between FGL (f/k/a J.L. Holloway Holdings, Inc.) and Jerome L. Goldman.⁶ 995
18. Business Purchase Agreement, dated as of December 2, 1996, by and between J.L. Goldman Associates, Inc. (f/k/a Friede & Goldman, Ltd.), as Seller, Friede & Goldman, Ltd. (f/k/a J.L. Holloway Holdings, Inc.), as Buyer, and Jerome L. Goldman, as shareholder of Seller, as amended by that certain (a) Amendment, dated as of December 3, 1996, (b) Second Amendment, dated as of May 19, 1997 and (c) Third Amendment, dated as 965

³ Completed.

⁴ Completed.

⁵ Completed.

⁶ As amended by that certain Compromise and Settlement Agreement, by and between FGL and Jerome L. Goldman and J.L. Goldman Associates, Inc.

of June 13, 1997.⁷

19. Kestral Records Management Storage and Service Agreement, dated as of April 28, 1998, by and between Kestral Data Management and Storage Inc. and TDI-Halter. 974
20. Employment and Confidentiality Agreement, dated as of October 21, 1998, by and between Friede Goldman Halter, Inc. and Paul Geiger, Jr. 142
21. Confidentiality Agreement, dated as of May 22, 2001, by and between ABB/IMECO and FGL (MODU). 1,708
22. Confidentiality Agreement, dated as of May 22, 2001, by and between ABB/IMECO and FGL (MODU). 1,709
18. Confidentiality Agreement, dated as of September 21, 2000, by and between Friede Goldman Offshore, Inc. ("FGO") and Aker Maritime, Inc. 1,710
23. Confidentiality Letter Agreement, dated as of October 23, 2000, by and between FGL and MH Pyramid, Inc. (Maritime Hydraulics AS). 1,796
24. Confidentiality/Non-Disclosure Agreement, dated as of March 9, 1998, by and between Alabama Shipyard, Inc. and FGL (7500 Drillship Design). 1,711
25. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Astilleros Corrientes and FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,712
26. Confidentiality/Non-Disclosure Agreement, dated as of July 31, 1998, by and between Atwood Oceanics Inc. and FGL (Semi-Submersible Designs) 1,799
27. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Belleli Offshore S.R.L. and FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,713
28. Confidentiality Agreement, dated as of November 21, 2000, by and between FGL and Blue Sea Corporation (Semi SWATH). 1,714
29. Confidential Agreement, dated as of May 2, 2001, by and between Santa Fe International Corporation, Friede Goldman Halter, Inc., Bodewes Winches/Nieuwerkerk a/d IJssel and Spectra International. 1,715
30. Confidentiality Agreement, dated as of November 17, 1999, by and between FGL and British-Borneo Exploration, Inc. 1,716

⁷ As amended by that certain Compromise and Settlement Agreement, by and between FGL and Jerome L. Goldman and J.L. Goldman Associates, Inc.

31. Confidentiality Agreement, dated as of April 3, 2001, by and between Caterpillar Inc. and FGL (MODU). 1,717
32. Confidentiality Agreement, dated as of June 11, 2001, by and between Champion Elevators and FGL (rig pipe handling systems). 1,718
33. Confidentiality Agreement, dated as of June 11, 2001, by and between Champion Elevators and FGL (MODU). 1,719
34. Confidentiality/Non-Disclosure Agreement, dated as of April 9, 1998, by and between China Offshore Industrial Corporation and FGL (Mobile Offshore Drilling Units). 1,720
35. Confidentiality/Non-Disclosure Agreement, dated as of August 18, 2000, by and between China Offshore Oil Northern Drilling Company and FGL (various offshore designs). 1,721
36. Confidentiality/Non-Disclosure Agreement, dated as of March 20, 1998, by and between Daewoo Heavy Industries, Ltd. and FGL (various designs). 1,722
37. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Daewoo Heavy Industries Ltd., FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,723
38. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Dalian New Shipyard, FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,724
39. Confidentiality/Non-Disclosure Agreement, dated as of May 12, 1998, by and between Davie Industries Inc., FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,725
40. Confidentiality/Non-Disclosure Agreement, dated as of March 4, 1999, by and between Delmar Systems, Inc. and FGL 1,726
41. Confidentiality Agreement, dated as of August 16, 2000, by and between Diamond Offshore and FGL (Rotary Carriage). 1,727
42. Confidentiality Agreement, dated as of August 30, 2000, by and between FGL and Dominion Exploration & Production, Inc. (oil and gas lease). 1,728
43. Confidentiality Agreement, dated as of November 5, 2001, by and between Dooley Tackaberry and FGL (MODU). 1,729
44. Confidentiality Agreement, dated as of April 23, 2001, by and between EQE International and FGL (MODU). 1,730

45. Confidentiality Agreement, dated as of February 1, 2001, by and between El Paso Global Gas (Cayman) Company and FGL. 1,731
46. Confidentiality/Non-Disclosure Agreement, dated as of April 14, 1998, by and between Fearnley Offshore and FGL (Semi-Submersible Designs). 1,732
47. Confidentiality/Non-Disclosure Agreement, dated as of May 18, 1998, by and between Fincantieri-Cantieri Navali Italiana S.p.A., FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,733
48. Confidentiality Agreement, dated as of July 25, 2001, by and between Friede Goldman Offshore-Texas and FGL (MODU). 1,734
49. Confidentiality/Non-Disclosure Agreement, dated as of February 16, 1998, by and between Global Marine Drilling Company and FGL (Semi-Submersible Designs). 1,736
50. Confidentiality Agreement, dated as of April 21, 1998, by and between Global Marine Drilling Company and FGL (Jack-Up Drilling Unit). 1,735
51. Confidentiality/Nondisclosure Agreement, dated as of June 1, 1998, by and between Guangzhau Huangpu Shipyard, FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,737
52. Confidentiality Agreement, dated as of July 25, 2001, by and between Gulf Island L.L.C. and FGL (MODU). 1,738
53. Confidentiality Agreement, dated as of August 2, 2001, by and between Gulf Marine Fabricators and FGL (MODU). 1,739
54. Confidentiality Agreement, dated as of August 7, 2001, by and between Halter Marine, Inc. and FGL (MODU). 1,740
55. Confidentiality/Non-Disclosure Agreement, dated as of April 21, 1998, by and between Harland and Wolff Shipbuilding and Heavy Industries Ltd. and FGL (Semi-Submersible Designs). 1,741
56. Confidentiality/Non-Disclosure Agreement, dated as of June 4, 1998, by and between The Hellenic Shipyards Co., FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,742
57. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Howaldtswerke-Deutsche Werft AG, FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,743
58. Confidentiality Agreement, dated as of December 14, 2000, by and between Huisman Itrec and FGL (MODU). 1,744

59. Confidentiality Agreement, dated as of December 14, 2000, by and between Huisman Itrec and FGL (rig pipe handling systems). 1,745
60. Confidentiality Agreement, dated as of December 14, 2000, by and between Huisman Special Lifting Equipment B.V. and FGL (rig pipe handling systems). 1,746
61. Confidentiality Agreement, dated as of October 2, 2000, by and between Hydralift, Inc. and FGL (rig pipe handling systems). 1,747
62. Confidentiality Agreement, dated as of October 2, 2000, by and between Hydralift, Inc. and FGL (MODU). 1,748
63. Confidentiality Agreement, dated as of June 17, 1998, by and between FGL and Hydralift, Inc. 1,749
64. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Hyundai Heavy Industries, FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,750
65. Confidentiality Agreement, dated as of December 12, 2000, by and between FGL and Innovative Drilling Systems, Inc. 1,751
66. Confidentiality Agreement, dated as of July 25, 2001, by and between J Ray McDermott, Inc. and FGL (MODU). 1,752
67. Confidentiality Agreement, dated as of June 6, 2001, by and between Jones & Jones Technical Services and FGL (MODU). 1,753
68. Confidentiality Agreement, dated as of August 22, 2001, by and between Jotun Paint, Inc. and FGL (MODU). 1,755
69. Confidentiality/Non-Disclosure Agreement, dated as of May 20, 1998, by and between Jurong Shipyard Limited, FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,756
70. Confidentiality/Non-Disclosure Agreement, dated as of June 10, 1998, by and between Keppel Shipyard and FGL (Semi-Submersible Self-Erecting Drilling Tender). 1,798
71. Confidentiality Agreement, dated as of April 17, 2001, by and between Liebherr Nenzing Crane Company and FGL (MODU). 1,757
72. Confidentiality/Non-Disclosure Agreement, dated as of May 22, 1998, by and between Lisnave-Estaleiros Navais, S.A., FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,758

73. Confidentiality Agreement, dated as of August 24, 2000, by and between Loadmaster Derrick & Equipment, Inc. and FGL (rig pipe handling systems). 1,759
74. Confidentiality/Non-Disclosure Agreement, dated as of August 1, 1997, by and between M. Rosenblatt & Son, Inc. and FGL (JU-2000 Jack-Up Drilling Unit). 1,797
75. Confidentiality/Non-Disclosure Agreement, dated as of October 16, 1998, by and between Malaysia Shipyard and Engineering SDN. BHD. and FGL (JU-2000 Jack-Up Drilling Unit). 1,760
76. Confidentiality Agreement, dated as of January 14, 2000, by and between Marathon Oil Company and FGL (semi-submersible structures). 1,761
77. Confidentiality Agreement, dated as of June 12, 2001, by and between Marine Equipment, Inc. and FGL (MODU). 1,762
78. Confidentiality/Non-Disclosure Agreement, dated as of June 18, 1997, by and between Marystown Shipyard Limited and FGL (JU-2000 Jack-Up Drilling Unit). 1,763
79. Confidentiality Agreement, dated as of October 14, 2000, by and between MH Pyramid and FGL (rig pipe handling systems). 1,764
80. Confidentiality Agreement, dated as of May 26, 1998, by and between MIL Systems and FGL (Bingo 9000 Drilling Unit). 1,765
81. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Mitsui Engineering & Shipbuilding Co. Ltd. and FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,766
82. Confidentiality Agreement, dated as of December 14, 2000, by and between Spectra International, Inc. and FGL (MODU). 1,783
83. Confidentiality/Non-Disclosure Agreement, dated as of October 13, 1999, by and between Star Engineering Services, Inc. and FGL (Floating Production Units). 1,784
84. Technical Information Exchange Confidentiality Agreement, dated as of October 17, 1999, by and between Texaco Group Inc. and FGL (Deepstar IV). 1,785
85. Confidentiality/Non-Disclosure Agreement, dated as of December 5, 1997, by and between TOP Management and FGL. 1,786
86. Confidentiality/Non-Disclosure Agreement, dated as of May 25, 1998, by and between UIE Scotland Limited, FGL and Santa Fe International 1,787

- Corporation (JU-2000 Jack-Up Drilling Unit).
87. Confidentiality/Non-Disclosure Agreement, dated as of October 6, 1998, by and between Uljanik Brodogradiliste d.d. and FGL (JU-2000 Jack-Up Drilling Unit). 1,788
 88. Confidentiality Agreement, dated as of December 8, 2000, by and between Varco International and FGL (rig pipe handling systems). 1,789
 89. Confidentiality/Non-Disclosure Agreement, dated as of March 11, 1998, by and between Verolme Botlek B.V. and FGL (various designs). 1,791
 90. Confidentiality/Non-Disclosure Agreement, dated as of May 14, 1998, by and between Verolme Botlek B.V., FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,790
 91. Confidentiality/Non-Disclosure Agreement, dated as of May 13, 1998, by and between Victorlenac and FGL (Semisubmersible Designs). 1,793
 92. Confidentiality/Non-Disclosure Agreement, dated as of May 28, 1998, by and between Victor Lenac, FGL and Santa Fe International Corporation (JU-2000 Jack-Up Drilling Unit). 1,792
 93. Confidentiality Agreement, dated as of November 9, 2000, by and between VMW Industries and FGL. 1,794
 94. Confidentiality Agreement, dated as of June 20, 2001, by and between Waller Marine and FGL (MODU). 1,795
 95. Confidentiality Agreement, dated as of November 26, 2001, by and between MODEC International LLC and FGL. 1,767
 96. Confidentiality Agreement, dated as of October 10, 2000, by and between National Oilwell and FGL (rig pipe handling systems). 1,768
 97. Confidentiality/Non-Disclosure Agreement, dated as of May 30, 1997, by and between National Petroleum Construction Company and FGL (Mod II Jack-Up Drilling Unit). 1,769
 98. Confidentiality Agreement, dated as of January 17, 2001, by and between Nimmo and Associates and FGL (MODU). 1,770
 99. Confidentiality Agreement, dated as of October 3, 2001, by and between Norsafe AS and FGL (MODU). 1,772
 100. Confidentiality Agreement, dated as of December 19, 2000, by and between PMI Engineering, Inc. and FGL (MODU). 1,773

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| 101. Confidentiality Agreement, dated as of October 16, 2000, by and between PPL Shipyard Pte Ltd and FGL (JU-2000 Jackup). | 1,774 |
| 102. Confidentiality Agreement, dated as of October 19, 2000, by and between PT. Tripatra Engineers and Contractors, FGL and Unocal Makassar Limited (West Seno Project). | 1,775 |
| 103. Confidentiality Agreement, dated as of September 26, 2000, by and between Robert W. Fogal & Associates/Yantai-Raffles Shipyard and FGL (rig pipe handling systems). | 1,776 |
| 104. Confidentiality Agreement, dated as of January 10, 2001, by and between Stuart Robertson and FGL (MODU). | 1,777 |
| 105. Confidentiality/Non-Disclosure Agreement, dated as of February 2, 1998, by and between Samsung Heavy Industries Company, Ltd. and FGL (Semisubmersible Designs). | 1,778 |
| 106. Confidentiality Agreement, dated as of May 19, 1997, by and between Santa Fe and FGL (JU-2000 Jack-Up Drilling Unit). | 1,779 |
| 107. Confidentiality/Non-Disclosure Agreement, dated as of February 16, 1998, by and between Scale Reproductions and FGL (Semisubmersible Designs). | 1,781 |
| 108. Confidentiality Agreement, dated as of April 13, 2001, by and between Scale Reproductions, Inc. and FGL (MODU). | 1,780 |
| 109. Confidentiality Agreement, dated as of December 14, 2000, by and between Spectra International, Inc. and FGL (rig pipe handling systems). | 1,782 |
| 110. Project Teaming Agreement, dated as of October 13, 1999, by and between FGL and Star Engineering Services, Inc. (deep water floating production vessels). | 1,800 |
| 111. Revised Project Teaming Agreement, dated as of December 21, 2000, by and between FGL and Star Engineering Services, Inc. (deep water floating production vessels). | 1,801 |
| 112. Project Teaming Agreement, dated as of December 3, 1999, by and between FGL and Keppel Shipyard (Pte) Ltd. (floating storage and offloading vessel for the Elf Amenan/Kpono field). | 1,802 |
| 113. Letter Contract, dated as of May 12, 1998, by and between, Friede Goldman Halter, Inc., FGL and Normarine Offshore Consultants, Ltd. | 1,803 |
| 114. Master Service Agreement, dated as of September 15, 1998, by and between Sundowner Offshore Services, Inc. and FGL. | 1,804 |

115. Project Teaming Agreement, dated as of October 11, 1999, by and between FGL and Petro-Marine Engineering, Inc. (deep water floating production vessel for the Shell NaKiKa prospect).

1.805

Exhibit C

OS	Microsoft Windows NT Workstation Setup	2		3 Floppies
OS	Microsoft Windows 95	5		
OS	Microsoft Windows 95 & Microsoft Plus	1		
OS	Microsoft Windows 98 - UPGRADE	1	DC3V7-YMVM8-8618K-CH6FY-K8TD4	
OS	Microsoft Windows 98 - UPGRADE	6	D48PG-YDJTF-HPK32-KVHV4-GPW34	
OS	Microsoft Win NT - Workstation	1		
OS	Microsoft Win NT - Workstation Var. 4.0 Service Pack 4	1		
OS	Microsoft Win NT - Workstation Var. 4.0 Service Pack 3	2		
OS APP	Internet Explorer 4.0	2		
OS APP	Microsoft Virtual Machine	1		
OS APP	Microsoft Internet Explorer Service Pack 1	1		
OS APP	Microsoft Bookshelf 2000	1	22499-OEM.0043876-90788	Original & 1 copy Not Available Original
PIM	ACT! 4.0	1		Single User License 10-User License
REF	Office Professional Bookshelf	4.0		
SERVER	Compag - Cheyenne Software	3.40		
SERVER	Cheyenne AR/Cueve Enterprise Edition	3.41		
SERVER	Compag - SCO JDK 1.1	3.41		
SERVER	Compag - SCO OpenServer 5	3.41		
SERVER	Compag - Program License Diskette	3.4	55295559	
SERVER	Compag Management Release 3.40	3.40	185932-011	
SERVER	Intel LANDesk Server Manager v2.52a	2.52A	668099-001	
SERVER	Microsoft Exchange Server Set	5.0		
SERVER	Compag - Netcapa Servers	3.40	312-075-382	3 of 4 discs
SERVER	Compag - Novell IntranetWare	3.40		
SERVER	Compag - Raplor Software	3.40		3 CD Rom's
SERVER	Software & Document Video Masler Installer	3.40		
SERVER	Elron Intranet Manager	4.7.1		
UTILITY	Microsoft Windows 95 - COMPANION	1		
UTILITY	Microsoft Windows 95 - CD Rom Setup	1		
UTILITY	Boot Disk	1		
UTILITY	PC-Anywhere - CU-SeeMe	1		
UTILITY	PC-Anywhere 3.2 Version 8.0	8.0		
UTILITY	Computer Associates - Disaster Recovery Set	1		
UTILITY	MSC/NASTRAN for Windows Evaluation System	1.0		
UTILITY	Partition Magic	1		
UTILITY	Dell Diagnostics Version 4.03A	4.03A		
UTILITY	Hard Drive Diagnostics & Utilities	1		
UTILITY	Dell Dimension ResourceCD	1		
UTILITY	Mega Connect	1		
UTILITY	Jasmine Developer Edition	1		
UTILITY	Microsoft Win NT - Workstation	1		
APP	Microsoft Project 2000	1		
SERVER	Microsoft Win NT - Server	1		
UTILITY	Toshiba Tecra 8000 - Win 95 Config CD	1		
APP	ACT! 4.0	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Project 98	1		
APP	X03-44537	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	076-056-100	1		
OS	Microsoft Win NT - Workstation	3		
APP	Microsoft Project 2000	1		
SERVER	Microsoft Win NT - Server	1		
UTILITY	Toshiba Tecra 8000 - Win 95 Config CD	1		
APP	ACT! 4.0	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Project 98	1		
APP	X03-44537	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	076-056-100	1		
OS	Microsoft Win NT - Workstation	3		
APP	Microsoft Project 2000	1		
SERVER	Microsoft Win NT - Server	1		
UTILITY	Toshiba Tecra 8000 - Win 95 Config CD	1		
APP	ACT! 4.0	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Office 97	1		
APP	Microsoft Project 98	1		
APP	X03-44537	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	X03-44544	1		
APP	076-056-100	1		

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Exhibit C

OS	Microsoft Win NT - Workstation	2	EMPTY
OS	Microsoft Win NT - Workstation Ver 4.0	1	EMPTY
UTILITY	Service Pack 4	1	Empty
APP	pcAnywhere 32 Version 8.0	1	Empty
	MyDeluxe LabelDesigner	1	Empty

2220-34698

Naval Architecture Software

6 Moses	Ultramarine	Perpetual Licenses with annual maintenance fees Strip Theory Key 3 keys @ \$793.00 per year 3D Diff. Key 2 keys @ \$1948 per year Time Domain Key 1 key @ \$8660 per year
1 AQWA	Century Dynamics	3-month evaluation license Extended due to technical issues with the software Option to purchase full licenses at discount
1 NAVCAD	Hydrocomp	Perpetual License 1 key @ \$750.00 per year
1 Autoship	Autoship Systems	Perpetual License 1 key @ \$850.00 per year
3 Autohydro	Autoship Systems	Perpetual License 3 keys (maintenance inactive)
1 STABCAD	Zentech	3 Month Evaluation License (Expired)

Engineering Software

1 SACS	Engineering Dynamics	Perpetual License Maintenance Agreement - \$636.00 per month
2 SACS	Engineering Dynamics	Lease Agreements \$785.00 per month \$135.00 per month
4 ALGOR	Algor, Inc.	Concurrent User Licenses Annual Maintenance Fee - \$2658.33

EXHIBIT D-1

Base Balance Sheet (November 30, 2001 opening balance sheet)

	<u>FGL Actual</u>	<u>Adjustments Out</u>	<u>Base Balance Sheet</u>
Assets			
Cash	6,456	(6,456)	0
Accounts Receivables	441,472	0	441,472
Inventory	749,164	0	749,164
Intercompany Receivables	<u>(10,542,015)</u>	<u>10,542,015</u>	<u>0</u>
Total Current Assets	(9,344,923)	10,535,559	1,190,636
 Net Fixed Assets	 339,669	 0	 339,669
 Goodwill	 530,002	 (530,002)	 0
Patents	<u>42,380</u>	<u>0</u>	<u>42,380</u>
Total Other Assets	572,382	(530,002)	42,380
Total Assets	(8,432,872)	10,005,557	1,572,685
 Liabilities			
Accounts Payable	624,927	(409,095)	215,832
Accrued Liabilities-Payroll	13,679	0	13,679
Other Accrued Liabilities	<u>(377,208)</u>	<u>480,046</u>	<u>102,838</u>
Total Current Liabilities	261,398	70,951	332,349
Shareholder's Equity	<u>(8,694,270)</u>	<u>9,934,606</u>	<u>1,240,336</u>
Total Liabilities & Shareholder	(8,432,872)	10,005,557	1,572,685

EXHIBIT D-2

Assets Disposed of After Base Balance Sheet Date (in ordinary course of business)

None

EXHIBIT D-3

Assets Acquired After Base Balance Sheet Date (in ordinary course of business)

None

EXHIBIT E

Excluded Assets

Asset Description

1. The designs to the JU-N9500 jackup unit and the Super EVA semisubmersible unit, and all trade secret and other information and materials disclosed or furnished by Noble Drilling Corporation or any of its affiliated companies (collectively, "**Noble**") to Seller or any of its affiliates in connection with the engagement by Noble of Seller to assist with the completion of such designs (the "**Projects**"), as well as any and all inventions, discoveries, creations, improvements, ideas, deliverables, prototypes, models, designs, other tangibles or intangibles, and patents and copyrights created by Seller or any of its affiliates in connection with performing obligations to Noble with respect to the Projects or which were made at least in part with Noble's equipment, supplies, facilities, materials, information, trade secrets, or time, or which resulted from any services performed by Seller for Noble. All of the foregoing are owned by Noble, and no rights in or to the foregoing are intended to be conveyed hereby.
2. MPSV design (an enhanced TDI-130 design)
3. 24 framed photographs of shipyards and/or projects (11 in the conference room, 6 in the hallway, 4 in the reception area)
4. 8 non-framed photography of shipyards and/or projects (all in the conference room)
5. 5 framed graphics for OTC (all in hallway)
6. Friede Goldman Offshore ("**FGO**") logo wall hanging
7. Friede Goldman Halter, Inc. ("**FGH**") Acrylic sign
8. FGH and FGO Brochures
9. Marketing materials with FGO logo to the extent not jointly marketed with FGL.
10. *Friede & Goldman, Ltd. v. Gotaverken Arendal, AB and GVA Consultants, AB*, Civil Action No. 99-1970-N-5 c/w 00-0209, pending in the United States District Court for the Eastern District of Louisiana
11. *Friede & Goldman, Ltd. v. William T. Bennett, Jr. and Bennett & Associates, L.L.C.*, Civil Action No. 3.02CV13BN, pending in the United States District Court for the Southern District of Mississippi

Asset Description

12. Cubicles located in the Pascagoula storage unit
13. All stock owned by FGH and its subsidiaries in Zentech, Inc., a Delaware corporation
14. Microsoft Enterprise Agreement licenses.
15. Furniture in Offices 2, 3 and 5, as listed on office floor plan attached in Exhibit B.
16. One (1) JU-2000 Model located at FGH's offices in Gulfport, Mississippi
17. Software License Agreement, by and between FGL and Zentech, Incorporated (StruCAD*3D).
18. All documents, drawings, plans, engineering and design materials, and scheduling information associated with the Bingo 9000-1 and 9000-2 and all builder furnished equipment and owner furnished equipment associated therewith, together with any documents associated with arbitration proceedings between the Seller and Ocean Rig 1 AS, Ocean Rig 2 AS and Ocean Rig ASA, including, without limitation, the following:

STORAGE BOXES Iron Mountain 3035 Earhart Boulevard New Orleans, LA 70125 Phone 504-525-2001 - Fax 504-525-2002			
Box No	Job No.	Description	Storage Box No.
1	7249	Binders - 7108 Transmittal Books - 1310-1316, 1317-1319, 1320-1328, 1329-1332	1446001
		Millennium Drawings to go to London (11x17)	
2	7249	Binders - 7108 Transmittal Books - 1333-1339, 1340-1344, 1345-1355 - Binder containing: OR Fax No. HL-FO-0466 with copies of affected drawing transmittals, RDS to Hydralift outgoing general faxes register with copies, and Hydralift drilling equipment OFE equipment - numerous faxes from Mark Wallis to HL. RDS faxes from Hydralift incoming general faxes register	1446002
3	7249	Upper Deck Drawings #1-13, 13-20	1446003
		Upper Deck Drawings #21-26, Drill Floor Drawings #1-4, Drill Floor Drawings #5-11	
4	7249	Friede Goldman OFI Related Issues	1446004
		Volumes 1 - 4	
5	7249	Friede Goldman OFI Related Issues - Volumes 2 of 5/Preliminary - 3 of 5	1446005

		Miscellaneous documents relating to same	
6	7249	Friede Goldman OFI Related Issues - Volume 4 of 5 / Volume 5 of 5	1446006
		Miscellaneous documents relating to 1 of 5	
		Volume 2 - August submittal	
7	7249	Appendix to Ocean Rig response	1446007
		Volume 1 - 4	
8	7249	RDS Correspondence - July 14, 1998 - October 12, 1998, October 12, 1998 to March 4, 1999, February 12, 1998 to April 29, 1998, April 29, 1998 to July 14, 1998	1446008
9	7249	Hydralift Correspondence (3 volumes)	1446009
		Vendors Correspondence (1 volume)	
10	7249	Ocean Rig Correspondence (1 volume), FGO Correspondence (1 volume), F&G General Correspondence (1 volume), General Correspondence (1 volume)	1446010
11	7249	Witness Statement of T. Eilertsen	1446011
		Volumes 1, 2, 3, and 4 of 13	
12	7249	Witness Statement of T. Eilertsen	1446012
		Volumes 5, 6, 7, 8, and 9 of 13	
13	7249	Witness Statement of T. Eilertsen	1446013
		Volumes 10, 11, 12, 13	
14	7249	HL Correspondence (2 volumes)	1446014
		Main Deck Level 1 #1-8, Main Deck Level 1 #9-16	
15	7249	Hydralift Notebooks ,	1446015
		#1 - 1310-1313, #2 - 1314-1319, #3 - 1320-1338	
		Miscellaneous papers	
16	7249	FGO Affected Deliverables, Appendix A	1446016
		FGO Affected Deliverables	
		Overview of Problem Areas	
		OR Response to FGO allegations	
		FGO Reply to OR Response to FGO Allegations	
		Completion Contract - Volume 2	
		Howard's Notes - December 14, 1999	
		FGO Arbitration Submission	
		Spreadsheet	
		FGO Deliverables/Spreadsheet	
		2 each - Miscellaneous papers - expandable folder	
17	7249	HL Notebooks #4 - 1339-1344, #5 - 1345-CVN	1446017
		Miscellaneous RDS Document Transmittals	
		Miscellaneous OR Faxes	
		Miscellaneous Faxes	
		SMDR (April 29, 1999), SMDR (March 26, 1998)	
		Appendix B (Planning)	
		Second Submission dated December 6, 1999	
		Howard Day Witness Statement	
18	7249	FGO Reply to OR Response to FGO Allegations	1446018

		Volumne 1 (3 copies)	
		Upper Deck	
19	7249	FGO Reply to OR Response to FGO Allegations	1446019
		Volume 2 (3 copies)	
		Lightship Weight through Pontoon Tank Arrangement	
20	7249	FGO Reply to OR Response to FGO Allegations	1446020
		Volume 3 (3 copies)	
		Drill Floor Arrangement through APV/HPU Arrangement	
21	7249	FGO Reply to OR Response to FGO Allegations	1446021
		Volume 4 (3 copies)	
		Lifeboats through Other Correspondence	
22	7249	FGO Reply to OR Response to FGO Allegations	1446022
		Volume 5 (3 copies)	
		BOP Controls through P & ID	
23	7249	FGO Reply to OR Response to FGO Allegations	1446023
		Volume 6 (3 copies)	
		Pontoons, Columns, & Sea Chest Arrangements through Riser Rack Arrangements	
24	7249	FGO Reply to OR Response to FGO Allegations	1446024
		Volume 7 (3 copies)	
		Riser Tensioning System through Switchgear Room Arrangement	
25	7249	FGO Reply to OR Response to FGO Allegations	1446025
		Volume 1, Volume 2, Volume 3 - Originals	
26	7249	FGO Reply to OR Response to FGO Allegations	1446026
		Volume 4, Volume 5, Volume 6 - Originals	
27	7249	FGO Reply to OR Response to FGO Allegations	1446027
		Volume 7 - Original	
		Hydralift Items - Volume 1 of 1	
		Miscellaneous items to be added to original #18 with copies (not included) to be added to additional volumes - Item 23, Item 3	
		Miscellaneous Papers	
28	7249	FGL Bingo History Documents	1446028
		Volumes 1 - 6	
29	7249	FGL Bingo History Documents	1446029
		Volumes 7, 8, 9, 11 (No #10)	
30	7249	FGL Bingo History Documents	1446030
		Volume 12	
		3½" Disk - Document Register Lists	
		RDS Documents by Major Items	
		P&ID Outstanding Issues	
		Comments from Tim Paces	
		Ham & FGI Presentation to OR 12/10/97	
		OR Annual Report 1998	
		OR Reporting 1st, 2nd, 3rd Quarters	
		Interface Drawings (Varco)	

		FGO Affected Deliverables - Appendix A (bound)	
		FGO Affected Deliverables Errata (bound)	
		FGO Witness Statements - Volume 1	
		Witness Statements	
31	7249	FGO Arbitration Submission - Appendix 1	1446031
		FGO Arbitration Submission - Appendix 2	
		FGO Arbitration Reply - Appendix 3	
32	7249	FGO Affected Deliverables - Appendix A	1446032
		Volume 1 through 4	

EXHIBIT F

Nontransferable Contracts, Permits, Qualifications and Licenses

Description

Index No.

Lease Agreement by and between FGL and Citicorp Vendor Finance, Inc.
(2 copiers & fax machine).

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EXHIBIT G

Net Working Capital at Base Balance Sheet Date

Included Assets

Cash	\$0
Accounts Receivable	\$441,472
Inventory	\$749,164
Total Current Assets	\$1,190,636

Assumed Liabilities

Accounts Payable	\$215,832
Accrued Liabilities - Payroll	\$13,679
Other Accrued Liabilities	\$102,838
Total Assumed Liabilities	\$332,349

Net Working Capital	\$858,287
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EXHIBIT H

Governmental Consents, Authorizations, or Notices Required of Seller

None

EXHIBIT I

Change to the Business since November 30, 2001

- No representation or warranty is made with respect to retention of employees or customers of FGL.
- Buyer has thoroughly reviewed the lawsuit styled *Friede & Goldman, Ltd. v. Gotaverken Arendal, AB and GVA Consultants, AB*, Civil Action No. 99-1970-N-5 c/w 00-0209, pending in the United States District Court, Eastern District of Louisiana (the "*GVA Suit*"), and Seller makes no representation or warranty as to any potential impact to the business of FGL or FGL's Property as a result of the GVA Suit or any claims or liabilities that may arise out of, or result from, the GVA Suit.

EXHIBIT J

Noncompliance with Governmental Laws; Governmental Authorizations Required

- Engineering Firm Registration in the State of Texas.