

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
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<b>NATURE OF CONVEYANCE:</b>	Intellectual Property Assignment and Asset Purchase Agreement
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**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
China Managed Services, Inc.		07/21/2008	COMPANY:

**RECEIVING PARTY DATA**

<b>Name:</b>	Integralis AG
<b>Street Address:</b>	Robert-Burkle-Strasse 3
<b>City:</b>	85737 Ismaning
<b>State/Country:</b>	GERMANY
<b>Entity Type:</b>	COMPANY:

**PROPERTY NUMBERS Total: 2**

Property Type	Number	Word Mark
Registration Number:	2814232	EDGEFORCE
Registration Number:	2841683	POINTFORCE

**CORRESPONDENCE DATA**

Fax Number: (704)444-1737  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 7044441000  
 Email: larieko.welch@alston.com  
 Correspondent Name: Alston & Bird LLP  
 Address Line 1: Bank of America Plaza  
 Address Line 2: 101 S. Tryon St., Ste. 4000  
 Address Line 4: Charlotte, NORTH CAROLINA 28280-4000

<b>ATTORNEY DOCKET NUMBER:</b>	054567/344868
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**DOMESTIC REPRESENTATIVE**

Name:  
 Address Line 1:  
 Address Line 2:

CH \$65.00 2814232

Address Line 3:

Address Line 4:

NAME OF SUBMITTER:	Roger P. Bonenfant
Signature:	/Roger P. Bonenfant/
Date:	08/06/2008

**Total Attachments: 106**

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## INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

This INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT (this "Agreement") is entered into as of July 21, 2008, by and between China Managed Services, Inc. ("Assignor"), a company established under the laws of the Cayman Islands, and Integralis AG ("Assignee"), a company organized and existing under the Laws of Germany. Assignor and Assignee are hereinafter collectively referred to as the "Parties" and individually referred to as a "Party".

### RECITALS

- A. Assignor and Assignee are parties to the Asset Purchase Agreement entered into by and among Assignor, Assignee and China Managed Services, Inc., a company organized and existing under the Laws of the State of California, as of July 21, 2008 (the "Asset Purchase Agreement"). Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to them in the Asset Purchase Agreement;
- B. Pursuant to the Asset Purchase Agreement, Assignor shall sell and assign the Intellectual Property used in the Business, including, without limitation, the Intellectual Property set forth in Schedule A attached hereto (the "Transferred IP") to Assignee; and
- C. In order to induce Assignee to enter into the Asset Purchase Agreement, Assignor desires to enter into this Agreement to transfer the Transferred IP to Assignee.

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants set forth herein and in the Asset Purchase Agreement, the Parties hereby agree as follows:

### AGREEMENT

1. Assignment of Transferred IP. Assignor hereby unconditionally and irrevocably transfers and delivers to Assignee, and Assignee hereby accepts and takes, all of Assignor's rights, title and interest in and to the Transferred IP and all rights of action against third parties Assignor has or may have in the future in and to the Transferred IP.
2. Government Approval. The Parties acknowledge that to the extent the title assignment with respect to the Transferred IP shall take effect upon the approval, consent, filing, registration or publication of such assignment by the a governmental authority or a third party. Assignor shall cooperate fully with Assignee in making all applications and filings with, and obtaining all consents and approvals from, all government authorities and third parties required by applicable laws or governmental orders for the effective assignment of the title to the Transferred IP to Assignee.
3. License. Pending the completion of the governmental formalities for the title transfer with respect to the Transferred IP and subject to the terms and conditions of this Agreement, Assignor hereby grants to Assignee a royalty-free, exclusive (as to

Assignor and any third party) and sub-licensable right and license to use the Transferred IP throughout the world for the purposes of the operation of Business by the Assignee. Assignor shall provide to Assignee all written materials in connection with the Transferred IP promptly after the date hereof. The license with respect to any Transferred IP shall terminate upon completion of formalities for the transfer of such Transferred IP to Assignee to the satisfaction of Assignor or the expiration of the term of registration of such Transferred IP, whichever occurs earlier.

4. Representations and Warranties. Assignor represents and warrants that Schedule A contains a complete and accurate list of all material patents owned, licensed to or used by the Assignor, whether registered or not, and a complete and accurate list of all licenses granted by the Assignor to any third party with respect to such patents, and (ii) the Assignor owns or otherwise has sufficient rights or licenses to use all such patents for purposes of conducting its business without any violation or infringement of the rights of others, free and clear of all liens. There is no pending or, to the knowledge of Assignor, any threatened, claim or litigation against Assignor, contesting its right to the use of such patents, asserting the misuse thereof, or asserting the infringement or other violation of any intellectual property of any third party. Assignor further represents and warrants that no proceedings or claims in which Assignor alleges that any person is infringing upon, or otherwise violating, any of the Transferred IP are pending, and none has been served, instituted or asserted by Assignor.
5. No Encumbrance. Assignor shall not sell, assign, pledge or license the Transferred IP or any part thereof to any third party or otherwise encumber any Transferred IP or any part thereof, or enter into any contract or undertaking that would affect the ownership or use of the Transferred IP or impair the value of the Transferred IP.
6. Maintenance of Registration. From the date hereof until the title to the Transferred IP has been duly transferred to Assignee, Assignor shall, at its cost, take such actions as necessary to maintain the validity of the Transferred IP as required by applicable laws or governmental orders.
7. Use of Transferred IP. From the date hereof, without Assignee's prior written consent, Assignor shall not use the Transferred IP, or permit any third party to use the Transferred IP, or maintain any license or agreement permitting any third party to use the Transferred IP.
8. Infringement. From the date hereof until the title to the Transferred IP has been duly transferred to Assignee, Assignor shall, at its cost, take actions against all infringements or threatened infringements relating to the Transferred IP in compliance with Assignee's instructions.
9. Governing Law. This Agreement shall be governed by, and construed in accordance with, the Law of the Country of Germany.
10. Dispute Resolution. The Parties shall first seek to resolve any dispute, controversy or claim among the Parties arising out of or in connection with this Agreement or as to rights or obligations hereunder (each a "**Dispute**") through friendly consultations. Such consultation shall begin immediately after any Party has delivered written notice

to any other Party to the Dispute requesting such consultation. If the Dispute is not settled by friendly discussions within thirty (30) days following such notice, it shall be referred to and finally settled by arbitration before the Hong Kong International Arbitration Centre (the "HKIAC") in accordance with the HKIAC Procedures for the Administration of International Arbitration in effect at the time of the initiation of the arbitration. There shall be three arbitrators. Each party in the dispute shall select one arbitrator within thirty (30) days after giving or receiving the demand for arbitration. Such arbitrators shall be freely selected, and the Parties shall not be limited in their selection to any prescribed list. The Secretary General of the Centre shall select the third arbitrator, who shall be qualified to practice law in Hong Kong. If either party does not appoint an arbitrator within thirty (30) days after selection of the first arbitrator, the relevant appointment shall be made by the Secretary General of the Centre. The arbitration proceedings shall be conducted in English. To the extent the UNCITRAL Arbitration Rules of HKIAC Procedures for the Administration of International Arbitration are in conflict with the provisions of this Section 9, including the provisions concerning the appointment of arbitrators, the provisions of this Section 9 shall prevail. The award rendered in any arbitration commenced hereunder shall be final and binding upon the Parties and judgment thereon may be entered in any court having jurisdiction.

*[Remainder of page intentionally left blank.]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

**ASSIGNOR:**

**CHINA MANAGED SERVICES, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**ASSIGNEE:**

**INTEGRALIS AG**

By: \_\_\_\_\_  
Name:  
Title:



## Schedule A

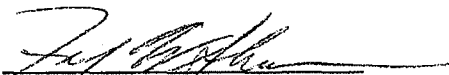
1. Patent: Derwent WPI - Patent No. US 20040267929; internal service gateway generates Internet traffic log by continuous monitoring Internet access by group of users, based on which list of traffic profile-suspect Internet websites conforming to blocking-suspect traffic profile is detected; patent assignee: ServGate Technologies Inc.
2. Patent: Derwent WPI - Patent No. US 20020032773, US 6857018; policy look-up processing method for computer network, involves forming source-destination port mapping table comprising multiple entries from arrays of destination and source port segments; patent assignee: ServGate Technologies Inc.
3. Patent: Derwent WPI - Patent No. WO 2001055867, CN 1372665; system for adaptive website access blocking using a traffic logger to continuously monitor number of accesses to plural Internet web sites; patent assignee: ServGate Technologies Inc.
4. Patent: Derwent WPI - Patent No. WO 2006084348, CA 2496939; network security enhancement method for wireless terminal, involves disabling wireless network interface in response to detection of network connection; patent assignee: Cirond Networks Inc.

**INTELLECTUAL PROPERTY  
ASSIGNMENT AGREEMENT**

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

**ASSIGNOR:**

**CHINA MANAGED SERVICES, INC.**

By:   
Name: *Frank W. Sheeran*  
Title: *CEO*

**ASSIGNEE:**

**INTEGRALIS AG**

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

**ASSIGNOR:**

**CHINA MANAGED SERVICES, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**ASSIGNEE:**

**INTEGRALIS AG**

By: R. Friedrich  
Name: **R. FRIEDERICH**  
Title: **CEO**

**ASSET PURCHASE AGREEMENT**

**Dated as of July 21, 2008**

**by and among**

**CHINA MANAGED SERVICES, INC.,  
an exempted company incorporated and existing under the Laws of the Cayman Islands,**

**CHINA MANAGED SERVICES, INC.,  
a corporation incorporated and existing under the Laws of the State of California,**

**as Sellers**

**and**

**INTEGRALIS AG,  
a company organized and existing under the Laws of Germany,**

**as Purchaser**

## ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT**, dated as of July 21, 2008 (this "Agreement"), by and among China Managed Services, Inc., an exempted company organized and existing under the Laws of the Cayman Islands ("CMS Cayman"), China Managed Services, Inc., a corporation organized and existing under the Laws of the State of California ("CMS California" and, together with CMS Cayman ("Sellers") and Integralis AG, a company organized and existing under the Laws of Germany registered with the commercial register of the local court of Munchen, Germany under registration no. HRB 121 349 ("Purchaser").

### RECITALS:

**WHEREAS**, Sellers and Mongoose Network Security Technology (Shanghai) Co., Ltd., a limited liability company organized and existing under the Laws of the PRC and a wholly owned subsidiary of CMS Cayman ("Mongoose" and, together with Sellers, the "Target Companies"), are engaged in the business of developing and supporting certain Internet based managed services for Internet objects, security technologies, products and services (the "Business");

**WHEREAS**, upon the exercise of the Put Right or the Call Right (in each case as defined below), Sellers desire to sell to Purchaser, and Purchaser desires to purchase from Sellers, free and clear of all Liabilities and Liens (other than the Liabilities assumed pursuant to this Agreement and the Liens permitted by this Agreement), substantially all of the property, assets (other than Excluded Assets) and rights of the Business, and to assume certain Liabilities of the Business, upon the terms and subject to the conditions hereinafter set forth; and

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereby agree as follows:

### ARTICLE I

#### DEFINITIONS; INTERPRETIVE MATTERS

1.1 Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

"Accounts Receivable" means (a) all trade accounts receivable and other rights to payment from customers of the Sellers attributable to the Business and the full benefit of all security for such accounts or rights to payment, including all trade accounts receivable representing amounts receivable in respect of goods shipped or products sold or services rendered to customers of the Sellers, (b) all other accounts or notes receivable of the Sellers attributable to the Business and the full benefit of all security for such accounts or notes, (c) any inter-company receivables arising out of loans made by Sellers to their subsidiaries and Affiliates and (d) any claim, remedy or other right related to any of the foregoing.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common

control with, such Person, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by Contract or otherwise; provided, that such power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such Person or power to control the composition of a majority of the board of directors or equivalent body of such Person. The terms "controlled" and "controlling" have meanings correlative to the foregoing.

"Agreement" has the meaning set forth in the Preamble of this Agreement.

"Assigned Agreements" means all Contracts to which any Seller is a party and which arise out of or relate to the Purchased Assets, the Assumed Liabilities or the conduct of the Business, including, without limitation, all Material Contracts and all Contracts related to the employment or engagement of any employee, consultant or contractor of any Seller.

"Assumed Liabilities" has the meaning set forth in Section 2.4 hereof.

"Benefit Plan" means, any plan established or maintained by any Target Company (or any predecessor or Affiliate of a Target Company) which provides or provided benefits for any employee of the Business or with respect to which contributions are or have been made by any Target Company on account of an employee of the Business.

"Bill of Sale" has the meaning set forth in Section 2.6(a)(i) hereof.

"Business" has the meaning set forth in the Recitals of this Agreement.

"Business Day" means any day of the year on which national banking institutions in New York, New York are open to the public for conducting business and are not required or authorized by Law to close.

"Business Intellectual Property" means all Intellectual Property in connection with the operation of the Business.

"California Sub Employees" means Robert B. Antia, Gregory Thomas Garten, Wei Zha and Frank W. Sheeman. For the avoidance of doubt, each of the aforementioned individuals shall be deemed a California Sub Employee for so long as such individual is employed by any of CMS California, Mongoose or any Affiliate of Purchaser.

"Call Rights" has the meaning set forth in Section 3.1 hereof.

"Cap" has the meaning set forth in Section 9.3(a)(iii) hereof.

"CMS California" has the meaning set forth in the Preamble of this Agreement.

"CMS Cayman" has the meaning set forth in the Preamble of this Agreement.

“CMS Purchase Price” has the meaning set forth in Section 2.3 hereof.

“Confidential Information” has the meaning set forth in Section 7.4(a) hereof.

“Consent” has the meaning set forth in Section 6.5(b) hereof.

“Contract” means any written, oral or other agreement, contract, subcontract, lease, mortgage, indenture, understanding, arrangement, instrument, note, bond, option, warranty, purchase order, license, sublicense, insurance policy, benefit plan, permit, franchise or other instrument, obligation or commitment or undertaking of any nature.

“Copyrights” has the meaning set forth in Section 1.1 hereof.

“Closing” has the meaning set forth in Section 3.3 hereof.

“Closing Conditions Date” has the meaning set forth in Section 3.3(a) hereof.

“Closing Date” has the meaning set forth in Section 3.3(b) hereof.

“Closing Deliveries” has the meaning set forth in Section 3.4 hereof.

“Deductible” has the meaning set forth in Section 9.3(ii) hereof.

“Disclosing Party” has the meaning set forth in Section 7.4(c) hereof.

“Disclosure Schedule” has the meaning set forth in Section 5 hereof.

“Earnout Fiscal Quarter” has the meaning set forth in Section 7.1(a) hereof.

“Earnout Shares” has the meaning set forth in Section 7.1(a) hereof.

“Escrow Agent” means an escrow agent mutually acceptable to and appointed by (with all costs of such agent split equally between the Sellers, on the one hand, and Purchaser, on the other hand) the Sellers and Purchaser.

“Excluded Assets” has the meaning set forth in Section 2.2 hereof.

“Excluded Liabilities” has the meaning set forth in Section 2.5 hereof.

“FCPA” means the United States Foreign Corrupt Practices Act of 1977, as amended.

“Filing Agent” has the meaning set forth in Section 7.9(b) hereof.

“Financial Statements” has the meaning set forth in Section 5.8(a) hereof.

“General Assignment” has the meaning set forth in Section 2.6(a)(ii) hereof.



“Governmental Authority” means any entity, authority, agency or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including without limitation any government authority, agency, department, board, commission or instrumentality of the United States of America, the Cayman Islands, the PRC or any other country, or any state, province or other political subdivision thereof, any court, tribunal or arbitrator (public or private), and any self-regulatory organization.

“Gross Revenues” means, with respect to any period, the gross revenues of the Business excluding any payments received from any Affiliates of the Target Companies and any payments received with respect to intercompany accounts.

“HKIAC” has the meaning set forth in Section 10.2(a) hereof.

“IFRS/IAS GAAP” means the international financial reporting standards adopted by the International Accounting Standards Board.

“Indemnifiable Loss” means, with respect to any Person, any action, cost, damage, disbursement, expense, liability, loss, deficiency, obligation, penalty or settlement of any kind or nature, other than consequential damages that a party in breach does not, and did not, have reason to foresee as a probable result of such breach unless and to the extent an Indemnified Party is required to pay such consequential damages pursuant to any applicable Law or the Order of any Governmental Authority; provided, that no Indemnifiable Loss shall exist with respect to any action (or omission) of any Target Company if (i) Purchaser consented to such action (or omission) and Purchaser’s consent was required with respect to such action (or omission) pursuant to any Loan Document or Transaction Document, or (ii) the applicable Target Company would not have taken such action (or omitted to take such action) but for Purchaser’s failure to provide a consent required pursuant to any Loan Document or Transaction Document.

“Indemnified Party” has the meaning set forth in Section 9.1 hereof.

“Indemnifying Party” has the meaning set forth in Section 9.1 hereof.

“Instruments of Assignment” has the meaning set forth in Section 2.6(a)(iv) hereof.

“Instruments of Assumption” has the meaning set forth in Section 2.6(b) hereof.

“Integralis Director” has the meaning set for in Section 7.2(a) hereof.

“Integration Committee” has the meaning set for in Section 7.2(a) hereof.

“Intellectual Property” means all worldwide intellectual property rights, including, without limitation, the following: (i) all patents and applications therefor, including continuations, divisionals, continuations-in-part, or reissues of patent applications and patents issuing thereon (collectively, the “Patents”); (ii) all trademarks, service marks, trade names, service names, brand names, trade dress rights, logos, internet domain names and corporate names, together with the goodwill associated with any of the foregoing, and all applications, registrations and renewals thereof, (collectively, the “Marks”); (iii) copyrights and registrations

and applications therefor, works of authorship and mask work rights (collectively, the "Copyrights"); (iv) trade secrets and confidential information; and (v) all proprietary software and technology.

"IP Assignment" has the meaning set forth in Section 2.6(a)(iii) hereof.

"Key Employee" means, with respect to any Person, the president, chief executive officer, the chief financial officer, the chief operating officer, the chief technical officer, the chief sales and marketing officer, the general manager, any other manager with the title of "vice-president" or higher or any other employee with responsibilities similar to any of the foregoing, of such Person.

"Knowledge of the Sellers" means the actual knowledge of Scott Broomfield, Frank Sheeman, Lin Chao, Humphrey Polanen and Roy Ren and that knowledge which should have been acquired by the aforementioned individuals after making due and diligent inquiry.

"Law" means any law, statute, code, ordinance, rule, regulation, Order or other legally binding requirement of any Governmental Authority.

"Leased Personal Property" has the meaning set forth in Section 2.1(b) hereof.

"Legal Proceeding" means any judicial, administrative or arbitral actions, claims, suits, arbitrations, investigations or proceedings (public or private) by or before a Governmental Authority.

"Liabilities" means any direct or indirect liability, indebtedness, claim, loss, damage, deficiency, obligation or responsibility, fixed or unfixed, choate or inchoate, liquidated or unliquidated, secured or unsecured, accrued, absolute, known or unknown, contingent or otherwise.

"Lien" means any lien, encumbrance, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal, easement, right of way, servitude or transfer restriction.

"Loan Agreement" means that certain Loan Agreement entered into as of the date hereof by and between CMS Cayman and Purchaser.

"Loan Cancellation Certificate" means a certificate to be delivered by Purchaser to Sellers irrevocably canceling all outstanding principal, interest and other amounts that are due or may become due from any Seller to Purchaser pursuant to the Loan Agreement or any other Loan Document.

"Loan Documents" means the Loan Agreement, the exhibits hereto and the other agreements, instruments and documents contemplated by each of the foregoing.

"Marks" has the meaning set forth in Section 1.1 hereof.

"Material Adverse Effect" means any circumstance, effect, change, event or development that is or would reasonably be expected to be, materially adverse to (i) the assets, business, condition (financial or otherwise) or results of operations of the Business, taken as a whole, or (ii) the ability of any of the Target Companies to consummate the transactions contemplated by this Agreement or by the other Transaction Documents to which it is or may become a party.

"Material Contracts" has the meaning set forth in Section 5.11(a) hereof.

"Memorandum and Articles" means the second amended and restated memorandum of association of CMS Cayman and the second amended and restated articles of association of Mongoose attached hereto as Exhibit D(i) and Exhibit D(ii), respectively.

"Mongoose" has the meaning set forth in the Recitals of this Agreement.

"Mongoose Application Package" has the meaning set forth in Section 7.9(b) hereof.

"Mongoose Equity" means all of the equity interests in Mongoose held by CMS Cayman, which shall constitute one hundred percent (100%) of the equity interests of Mongoose.

"Mongoose Purchase Agreement" has the meaning set forth in Section 7.9(a) hereof.

"Order" means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award of a Governmental Authority.

"Ordinary Course of Business" means the ordinary and usual course of the Business, consistent with past practices (including with respect to quantity and frequency).

"Other Instruments" has the meaning set forth in Section 2.6(a)(iv) hereof.

"Patents" has the meaning set forth in Section 1.1 hereof.

"Permits" has the meaning set forth in Section 5.13(b) hereof.

"Permitted Liens" means (i) statutory liens for current Taxes, assessments or other governmental charges not yet delinquent or the amount or validity of which is being contested in good faith by appropriate proceedings, provided, and only to the extent of, an appropriate reserve is established therefor on the Financial Statements; and (ii) landlords', mechanics', carriers', workers', repairers' and similar Liens arising by operation of law and/or incurred in the Ordinary Course of Business.

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, limited liability company, limited liability partnership, labor union, trust, unincorporated organization, Governmental Authority or other entity.

“PRC” means the People’s Republic of China, but solely for the purposes of this Agreement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

“PRC Diligence Conditions” has the meaning set forth in Section 3.1(a) hereof.

“Proprietary Information and Inventions Agreement” has the meaning set forth in Section 5.17 hereof.

“Purchased Assets” has the meaning set forth in Section 2.1 hereof.

“Purchased Personal Property” has the meaning set forth in Section 2.1(b) hereof.

“Purchase Price Reduction Amount” means the sum of (i) the aggregate amount by which all outstanding loans made by Borrower to Sellers pursuant to the Loan Agreement exceed US\$3,000,000 on the Closing Date, (ii) the aggregate amount of all loans made by Borrower to Sellers pursuant to the Loan Agreement that were actually used to satisfy any Borrower Expenses (as such term is defined in the Loan Agreement) or fees and expenses of outside counsel incurred by Sellers in accordance with Section 5.19 of the Disclosure Schedule, and (iii) the amount of the Independent Auditors costs and expenses, if any, in the event a dispute under Section 3.1 is resolved in favor of Purchaser.

“Purchaser” has the meaning set forth in the Preamble of this Agreement.

“Put Notice” has the meaning set forth in Section 3.1(b) hereof.

“Put Rights” has the meaning set forth in Section 3.1(a) hereof.

“Remedial Action” means all actions required by Environmental Laws to clean up, remove, treat or address any Hazardous Material in the environment at levels exceeding those allowed by applicable Environmental Laws, including pre-remedial studies and investigations or post-remedial monitoring and care.

“Representative” of any Person means such Person’s officers, directors, employees, agents, accountants, counsel, advisors, consultants or other representatives.

“Seller Representative” means CMS Cayman or any other person or entity designated in writing by Sellers and the holders of at least a majority of each class of equity securities of CMS Cayman (based upon the capitalization of CMS Cayman as of the date of this Agreement).

“Sellers” has the meaning set forth in the Preamble of this Agreement.

“Social Insurance” has the meaning set forth in Section 5.16(b) hereof.

“Statement Date” has the meaning set forth in Section 5.8(a) hereof.

“Straddle Period” shall mean any taxable period that begins on or before and ends after May 31, 2008.

“Successor Liability Taxes” has the meaning set forth in Section 5.6(a) hereof.

“Target Companies” has the meaning set forth in the Recitals of this Agreement.

“Target Company Benefit Plans” has the meaning set forth in Section 5.23(a) hereof.

“Tax” or “Taxes” shall mean any taxes of any kind, including those measured on, measured by or referred to as, income, alternative or add-on minimum, gross receipts, escheat, capital, capital gains, sales, use, *ad valorem*, franchise, profits, license, privilege, transfer, withholding, payroll, employment, social, excise, severance, stamp, occupation, premium, value added, property, environmental or windfall profits taxes, customs, duties or similar fees, assessments or charges of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amounts (including any interest thereon) imposed by any Governmental Authority.

“Tax Returns” shall mean all reports, estimates, declarations of estimated Tax, claims for refund, information statements and returns relating to, or required to be filed in connection with, any Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Three Month EBIT” shall mean the aggregate earnings before interest and taxes of Mongoose and of Sellers and all Affiliates of the foregoing that is derived from any of the Purchased Assets, Business or efforts of any California Sub Employee, calculated such that Three Month EBIT shall (i) have been calculated in accordance with U.S. GAAP, (ii) include the salary and benefit costs of each of the California Sub Employees, (iii) not include any overhead allocations from Purchaser unless specifically agreed to by Purchaser and Sellers; and (iv) not include any cost or expense of Mongoose or of Sellers undertaken in order to give effect to the rights or Purchaser pursuant to any Transaction Document or Loan Document or undertaken at request of Purchaser pursuant to any Transaction Document or Loan Document.

“Total Net Investment Amount” shall mean the sum of (i) the Purchase Price (including the total Earnout Amount accrued to Seller Representative during all Earnout Fiscal Quarters) and (ii) any amounts forgiven pursuant to the Loan Cancellation Certificate and (iii) all additional contributions to the registered capital of Mongoose undertaken by Purchaser following the Closing Date and prior to or on December 31, 2010 minus (y) any dividend or other distribution, direct or indirect, on account of any equity interest of Mongoose paid or made to Purchaser prior to or on December 31, 2010.

“Transaction Documents” means this Agreement, the exhibits hereto and the other agreements, instruments and documents contemplated hereby and thereby, but excluding the Loan Agreement and each of the Loan Documents.

“Transfer Taxes” has the meaning set forth in Section 7.6(b) hereof.

“Undertaking” has the meaning set forth in Section 2.6(b) hereof.

“U.S. GAAP” means generally accepted accounting principles in the United States as of the date of determination.

“VAS License” has the meaning set forth in Section 8.1(i) hereof.

“VAS License Indemnification Obligation” has the meaning set forth in Section 9.1 hereof.

1.2 Other Definitional and Interpretive Matters. Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

(a) Calculation of Time Periods. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

(b) Dollars. Any reference in this Agreement to \$ shall mean U.S. dollars, and any amounts denominated in U.S. dollars shall mean the amount set forth or the equivalent of such amount in any other currency or currencies.

(c) Headings. The headings contained in this Agreement are for purposes of convenience only and will not affect the meaning or interpretation of this Agreement. Unless otherwise expressly indicated, any reference in this Agreement (including any Schedule hereto) to an “Article,” “Section,” “subsection,” “paragraph” or “subparagraph” followed by a number or letter or combination of the two will be a reference to the particular Article, Section, subsection, paragraph or subparagraph of this Agreement bearing such number, letter or combination thereof.

(d) Hereof and Herein. The terms “hereof,” “herein,” “hereunder” and comparable terms refer, unless otherwise expressly indicated, to this Agreement as a whole and not to any particular Article, Section, subsection, paragraph, subparagraph or other subdivision hereof or any Schedule, Exhibit or other attachment hereto.

(e) Including. The terms “include,” “includes” and “including” will be deemed to be followed by the words “without limitation.”

(f) Gender and Number. Whenever the context so requires, the singular number will include the plural and the plural will include the singular, and the gender of any pronoun will include the other gender or neuter, as applicable.

(g) Statutes and Regulations. Any reference in this Agreement to a particular statute, regulation or code (including any specific provision thereof) includes all regulations and rules thereunder, all amendments thereto in force from time to time (including amendments to

provision references) and every applicable Law in effect that supplements, replaces or supersedes such statute, regulation or code.

1.3 Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

## ARTICLE II

### TRANSFER OF ASSETS AND LIABILITIES

2.1 Assets to be Sold. On the terms and subject to the conditions of this Agreement, at the Closing, Seller shall sell, convey, assign, transfer and deliver to Purchaser, and Purchaser shall purchase, acquire and accept from Sellers, all of Sellers' right, title and interest in, to and under the assets used in the operation of the Business, including without limitation the Mongoose Equity (but excluding any Excluded Assets), free and clear of all Liabilities and Liens, except the Assumed Liabilities and Permitted Liens. The assets to be sold shall include, without limitation, the following assets of Seller (the "Purchased Assets"):

(a) the Mongoose Equity;

(b) all personal property of the Business owned by Sellers (the "Purchased Personal Property"), including, machinery, equipment, furniture, fixtures, fittings, office equipment, communications equipment, vehicles, spare and replacement parts, and other tangible property, and all Sellers' rights to and interest in all personal property of the Business leased to Sellers (the "Leased Personal Property");

(c) the Business Intellectual Property and all Sellers' rights to and interest in the Business Intellectual Property;

(d) all inventory together with any additions thereto and subject to any reductions therefrom received or incurred by Sellers operating the Business after the date hereof through the Closing Conditions Date;

(e) all Accounts Receivable;

(f) all Sellers' rights under the Assigned Agreements;

(g) all prepaid charges, expenses and deposits respecting the Business, including good-faith deposits and rentals;

(h) all Sellers' rights, claims, credits or rights of set-off against third parties in connection with the Purchased Assets and the Business including rights under third parties' representations, warranties and guarantees;

(i) all existing data, databases, books, records (except those records in Sellers' corporate offices or at off-site storage facilities which are duplicates of the books and records of the Business), correspondence, business plans and projections, records of sales, customer and vendor lists, files, papers, and, to the extent permitted under applicable Law, copies of historical personnel, payroll and medical records of each of the employees of the Business in the possession of each of the Sellers, including employment applications, employment agreements, confidentiality and non-compete agreements, corrective action reports, disciplinary reports, notices of transfer, notices of rate changes, other similar documents, and any summaries of such documents regularly prepared by either Seller; and all manuals and printed instructions of Sellers;

(j) all property and casualty insurance proceeds, and all rights to property and casualty insurance proceeds, in each case to the extent received or receivable in respect of the Business;

(k) all rights of each Seller under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of each Seller or with third-parties, in each case, relating to the Business or the Purchased Assets;

(l) all goodwill and other intangible assets associated with the Business;

(m) all cash and marketable securities; and

(n) any claim or right to collect in respect of any claim in connection with the Purchased Assets or the Business.

2.2 Excluded Assets. Notwithstanding anything to the contrary in Section 2.1 hereof, Sellers shall not sell and Purchaser shall not acquire and the Purchased Assets shall not include any of the shares of the capital stock or any other interest in the capital stock of CMS California.

2.3 Purchase Price. The purchase price for the Purchased Assets shall be an amount payable in cash and/or forgiveness of indebtedness equal to Two Million United States Dollars (US\$2,000,000) (the "CMS Purchase Price"), a portion of which shall constitute the purchase price paid specifically with respect to the acquisition of CMS Cayman's interests in Mongoose for purposes of the Mongoose Purchase Agreement (which portion shall be the registered paid in share capital of Mongoose unless otherwise agreed by the Sellers and Purchaser), plus that amount of cash or securities of Purchaser that may become payable to Sellers pursuant to Section 7.1 hereof.

2.4 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, at the Closing, Purchaser shall assume only the following Liabilities of Sellers (collectively, the "Assumed Liabilities"):

(a) All accounts payable and expenses of the Business accrued from and following June 1, 2008 (to the extent that such accounts payable relate to the Business and other than any accounts payable to Purchaser), including without limitation the accounts payable set forth on Schedule 2.4(a) of this Agreement, which schedule shall be updated by the Sellers and Purchaser



in good faith and provided, together with evidence of the accounts payable and expenses listed, to Purchaser on or prior to the Closing Conditions Date; and

(b) All obligations of Sellers under the Assigned Agreements, to the extent such obligations (i) were not due to have been satisfied or discharged at or prior to June 1, 2008, and (ii) have not arisen as a result of a default or breach of such Assigned Agreement or this Agreement by Seller.

2.5 Excluded Liabilities. Notwithstanding any other provision in this Agreement, Purchaser is assuming only the Assumed Liabilities and is not assuming any other Liability of Sellers or their Affiliates of whatever nature, whether presently in existence or arising hereafter (all such liabilities and obligations not being assumed being herein referred to as the "Excluded Liabilities"), and, notwithstanding anything to the contrary, the Assumed Liabilities shall not include for the purposes of this Agreement, without limitation, any of the following:

(a) any Liabilities of Sellers or any of their Affiliates arising out of the conduct of the Business prior to June 1, 2008;

(b) any Liabilities to the extent not arising out of or not relating to any Purchased Asset;

(c) any Liabilities of Sellers or any of their Affiliates for Taxes, and all Taxes of any Person imposed on Sellers or any of their Affiliates as a result of being a member of any consolidated, combined, affiliated or unitary Tax group or as a transferee or successor, by contract, or otherwise;

(d) any Liabilities and expenses for any accounting, legal, investment banking, brokerage or similar fees or expenses incurred by either Seller or any of their Affiliates in connection with the negotiation and preparation of this Agreement and each of the Transaction Documents and the consummation of the transactions contemplated hereby and thereby;

(e) any Liabilities relating to the employees of any Target Company, whether or not arising under any Benefit Plan, for periods ending prior to June 1, 2008, other than those expressly assumed by Purchaser pursuant to this Agreement; and

(f) any Liabilities relating to any Legal Proceedings to the extent arising out of pre-Closing occurrences, whether arising in contract or tort or otherwise.

2.6 Transfer of Assets and Assumption of Liabilities.

(a) Each Seller, as applicable, shall effectuate the sale, conveyance, assignment, transfer and delivery of the Purchased Assets to Purchaser by delivering to Purchaser or its designees each of the following:

(i) a duly executed bill of sale, substantially in the form of Exhibit A hereto (the "Bill of Sale"); (ii) a duly executed assignment and assumption agreement relating to the Assigned Agreements, Permits and other Purchased Assets, substantially in the form of Exhibit B hereto (the "General Assignment"); (iii) a duly executed assignment of

Intellectual Property with respect to the Transferred Intellectual Property, substantially in the form of Exhibit C hereto (the "IP Assignment"); and (iv) such other good and sufficient instruments of conveyance and transfer (collectively, the "Other Instruments" and, collectively with the Bill of Sale, the General Assignment, the IP Assignment, the "Instruments of Assignment") as are reasonably necessary to vest in Purchaser good and valid title to such Purchased Assets, free and clear of all Liabilities and Liens except the Assumed Liabilities and Permitted Liens.

(b) Purchaser shall deliver to each Seller an undertaking, substantially in the form of Exhibit E hereto (the "Undertaking"), whereby Purchaser shall assume and agree to perform, pay, or discharge, when due, the Assumed Liabilities, effective as of the Closing, and such other instruments, documents or agreements (collectively, the "Instruments of Assumption") as are reasonably necessary to evidence Purchaser's assumption of and agreement to pay and discharge the Assumed Liabilities.

## 2.7 Non-Assignable Contracts.

(a) To the extent that any Assigned Agreement is not capable of being assigned to Purchaser at the Closing without the consent of the issuer thereof or any other party thereto or any other Person, or if such assignment or attempted assignment would constitute a breach thereof, or a violation of any applicable Law, this Agreement shall not constitute an assignment or an attempted assignment thereof, unless and until such consent has been obtained.

(b) In the event that any consent referred to in Section 2.7(a) has not been obtained prior to the Closing, at Sellers' sole cost and expense, Sellers shall use their commercially reasonable efforts, and Purchaser shall cooperate with Sellers, to obtain each and every such consent and to resolve the impracticalities of assignment referred to in Section 2.7(a) after the Closing.

(c) To the extent that the consents referred to in Section 2.7(a) have not been obtained prior to the Closing, until the impracticalities of assignment referred to in Section 2.7(a) hereof are resolved, Sellers shall use their commercially reasonable efforts to (i) provide Purchaser the benefits of any Assigned Agreement referred to in Section 2.7(a), (ii) cooperate in any reasonable and lawful arrangement designed to provide such benefits to Purchaser, and (iii) enforce, for the account and benefit of Purchaser, any and all rights of Sellers arising from the Assigned Agreements referred to in Section 2.7(a) against such issuer thereof and all other parties thereto (including the right to elect to terminate in accordance with the terms thereof on the advice of Purchaser). To the extent that Purchaser is provided the benefits pursuant to this Section 2.7(c) of any Assigned Agreement, Purchaser shall perform, on behalf of Sellers, for the benefit of the issuer thereof and/or all other parties thereto, the obligations of Sellers thereunder or in connection therewith, but only to the extent that such action by Purchaser would not result in any material default thereunder or in connection therewith. Nothing contained in this Section 2.7 shall constitute a waiver of, or impair, Purchaser's rights under Article IX.

## ARTICLE III

## PUT AND CALL RIGHTS; CLOSING

3.1 Put Rights; Call Rights.

(a) Notwithstanding anything to the contrary set forth herein, neither Sellers nor Purchaser shall have any obligation to consummate the transactions contemplated hereby unless and until Sellers, on the one hand, exercise their rights to cause Purchaser to consummate the transactions contemplated hereby (the "Put Rights") or Purchaser, on the other hand, exercises its right to cause Sellers to consummate the transactions contemplated hereby (the "Call Rights"). The Put Rights may be exercised by Sellers at any time within six (6) months immediately following (i) a three (3) month period in which (A) the Three Month EBIT of the Business for such period is no less than *negative* One Hundred Fifty Thousand Dollars (-US\$150,000) and (B) the Gross Revenues of the Business during such period are no less than US \$800,000 and (ii) the satisfaction of the conditions set forth in Section 3.1 of the Disclosure Schedule, except to the extent that the failure to satisfy any such conditions is waived in the reasonable discretion of Purchaser (the "PRC Diligence Conditions").

(b) In such event, Sellers may exercise the Put Rights by delivering (i) a notice to Purchaser (the "Put Notice") indicating Sellers' intent to exercise their Put Rights and certifying (A) that the Three Month EBIT for such three (3) month period was no less than *negative* One Hundred Fifty Thousand Dollars (-US\$150,000) and the Gross Revenues of the Business during such three (3) month period were no less than US\$800,000 and (B) that the PRC Diligence Conditions have been satisfied; and (ii) reasonable documentation supporting Sellers' certifications. The Put Notice shall become effective and the parties shall become obligated consummate the transaction contemplated hereby on the twentieth (20<sup>th</sup>) day following the delivery of the Put Notice unless Purchaser delivers written notice to CMS Cayman objecting to Sellers' calculation of Three Month EBIT or of Gross Revenues or of Sellers' determination that the PRC Diligence Conditions have been satisfied and setting forth the reasons therefor.

(c) In the event CMS Cayman and Purchaser fail to agree on all the calculation of Three Month EBIT or Gross Revenues within twenty (20) days after Purchaser first objects to the calculation set forth in the Put Notice, then CMS Cayman and Purchaser mutually agree that they shall select a national independent accounting firm mutually acceptable to Purchaser and CMS Cayman (the "Independent Auditors") within two (2) weeks and that the Independent Auditors shall make the final determination with respect to the correctness of the calculation of Three Month EBIT or Gross Revenues. The Independent Auditors' determinations shall be based solely on written presentations submitted by Purchaser and Sellers. Purchaser and Sellers shall, and shall cause their accountants to, provide the Independent Auditors all reasonable and timely access to the work papers and other books and records and information as reasonably necessary for the Independent Auditors to perform their function as arbitrator. The decision of the Independent Auditors shall be final and binding on Sellers and Purchaser. In the event the Independent Auditors determine that Three Month EBIT is less than *negative* One Hundred Fifty Thousand Dollars (-US\$150,000) or the Gross Revenues were less than US\$800,000, then the Sellers shall bear the costs and expenses of the Independent Auditors and the CMS Purchase Price shall be reduced by the amount of such costs and expenses in the event of a subsequent

Closing. In the event the Independent Auditors determine that Three Month EBIT is more than *negative* One Hundred Fifty Thousand Dollars (-US\$150,000) and Gross Revenues were no less than US\$800,000, then the Purchaser shall bear the costs and expenses of the Independent Auditors.

With respect to any dispute regarding the PRC Diligence Conditions, Sellers and Purchaser shall work together in good faith to resolve such dispute as promptly as practicable. Sellers shall be entitled to deliver Put Notices with respect to any subsequent three-month periods, notwithstanding the fact that the Three Month EBIT or Gross Revenues for any previous three-month period or the PRC Closing Conditions may be under dispute.

(d) Purchaser may exercise its Call Rights at any time by delivering to CMS Cayman a written notice indicating Purchaser's intent to exercise its Call Rights. The obligations of the parties to consummate the transactions contemplated hereby shall become effective immediately upon delivery of the Call Notice.

(e) The Put Rights and the Call Rights shall be exercisable, subject to the terms and conditions set forth in this Section 3.1, at any time prior to the termination of this Agreement.

3.2 Further Assurances. Upon the exercise of the Call Rights or the Put Rights, and subject to the terms of this Agreement, each of parties to this Agreement shall use its commercially reasonable best efforts to (i) take all actions necessary or appropriate to consummate the transactions contemplated by this Agreement, (ii) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations to consummate the transactions contemplated by this Agreement and (iii) at any time, and from time to time, execute such additional instruments and take such actions as may be reasonably requested by the other parties to confirm or perfect or otherwise to carry out the intent and purposes of this Agreement.

3.3 Closing. Upon the exercise of the Call Rights or the Put Rights and subject to the satisfaction of the applicable conditions set forth in Sections 8.1 and 8.2 hereof (or the waiver thereof by the party(ies) entitled to waive that condition), the closing of the transactions contemplated by Article III (the "Closing") shall take place remotely by exchange of documents and signatures (or at such place as the parties may designate in writing) at 10:00 a.m. (Central European Time) in accordance with the following procedures:

(a) No later than the second Business Day after both (i) the effectiveness of the Put Notice or the Call Notice, as the case may be, in accordance with Section 3.1(b) or (d), respectively, and (ii) the satisfaction or waiver of each condition to the Closing set forth in Article VIII (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), unless another time or date, or both, are agreed to in writing by the parties hereto, (A) each of the parties hereto shall deliver each of the Closing Deliveries set forth in Section 3.4 below to the Escrow Agent to be held in escrow pending the Closing; and (B) subject to delivery of each of the Closing Deliveries required to be delivered by the other parties hereto to the Escrow Agent in accordance with the preceding clause (i), each of Purchaser, CMS Cayman and Mongoose (as applicable) shall deliver written notice to the Filing Agent instructing the Filing Agent to submit the Mongoose Application Package to the relevant Governmental Authorities in the PRC as soon as reasonably practicable

and to undertake all necessary actions in connection with approving the transfer of the Mongoose Equity to Purchaser. The date on which such joint notice is delivered to the Filing Agent shall be referred to in this Agreement as the "Closing Conditions Date."

(b) No later than the second Business Day after receipt of approval from the relevant Governmental Authorities in the PRC with respect to the transfer of the Mongoose Equity to Purchaser, Purchaser and Sellers (as applicable) shall deliver written notice to the Escrow Agent immediately releasing all Closing Deliveries. The date on which such joint notice is delivered to the Escrow Agent shall be referred to in this Agreement as the "Closing Date."

3.4 Closing Deliveries. The term "Closing Deliveries" means:

(a) the following documents that Sellers shall deliver or cause to be delivered for the benefit of Purchaser, as applicable: (i) the Bill of Sale; (ii) the General Assignment; (iii) the IP Assignment; (iv) the Other Instruments, if any; (v) duly executed counterparts of the Consents referred to in Section 8.1(e); (vi) a certificate executed by an authorized officer or director of each Seller certifying as to the matters set forth in Sections 8.1(a) and (b); (vii) a certificate executed by an authorized officer or director of each Seller certifying as to the incumbency and the authority of the signatories of Sellers hereto; and (viii) all other documents, certificates, instruments or writings required to be delivered by Sellers at or prior to the Closing pursuant to this Agreement or otherwise required in connection with the consummation of the transactions contemplated hereby; and

(b) the following documents that Purchaser shall deliver or cause to be delivered for the benefit of the Sellers: (i) evidence of the wire transfer of an amount equal to the CMS Purchase Price less the Purchase Price Reduction Amount to an account or accounts designated in writing by the Escrow Agent; (ii) the Undertaking; (iii) the Instruments of Assignment, as applicable; (iv) the Loan Cancellation Certificate; (v) a certificate executed by an authorized officer or director of Purchaser, certifying as to the matters set forth in Sections 8.2(a) and (b); (vi) a certificate executed by an authorized officer or director of Purchaser certifying as to the incumbency and the authority of the signatories of Purchaser hereto; and (vii) all other documents, certificates, instruments or writings required to be delivered by Purchaser at or prior to the Closing pursuant to this Agreement or otherwise required in connection with the consummation of the transactions contemplated hereby.

3.5 Payments Post- Closing.

(a) If, following the Closing Date, Sellers or any of their Affiliates receives any payment or other proceeds (including the benefit of a mistaken payment) relating to any Purchased Assets or otherwise relating to the conduct or operation of the Business, including with respect to any Accounts Receivable purchased by Purchaser hereunder, Sellers shall, and shall cause their Affiliates to, promptly remit to Purchaser the amount of any such payments to the extent relating to the Assets.

(b) If, following the Closing Date, Purchaser or any of its Affiliates receives any payment or other proceeds (including the benefit of a mistaken payment) relating to any Excluded Assets or otherwise relating to the conduct or operation of Sellers other than the

Business, Purchaser shall, and shall cause its Affiliates to, promptly remit to Sellers the amount of any such payments to the extent relating to the Excluded Assets or such other business.

## ARTICLE IV

### TERMINATION

4.1 Termination of Agreement. This Agreement may be terminated prior to the Closing as follows:

- (a) by mutual written consent of Sellers and Purchaser;
- (b) by Purchaser in the event that one or more of the representations and warranties made by Sellers in Section V hereof are proven not to have been true, correct and complete as of the date such representations and warranties were made or deemed made, if such failures (individually or in the aggregate) have had or would reasonably be expected to have a Material Adverse Effect;
- (c) by either Sellers, on the one hand, or Purchaser, on the other hand, at any time after August 31, 2009; or
- (d) by Sellers or Purchaser if there shall have been enacted, issued, promulgated or enforced any Law that makes the consummation of the transactions contemplated hereby illegal, or if there shall be in effect a final nonappealable Order of a Governmental Authority of competent jurisdiction permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby; it being agreed that the parties hereto shall promptly appeal any adverse determination which is not nonappealable (and pursue such appeal with reasonable diligence).

4.2 Procedure Upon Termination. In the event of termination and abandonment by Purchaser or Sellers, or both, pursuant to Section 4.1, written notice thereof shall forthwith be given to the other party or parties, specifying the provision of Section 4.1 pursuant to which such termination is made, and this Agreement shall terminate, and the transactions contemplated hereby shall be abandoned, without further action by Purchaser or Seller.

4.3 Effect of Termination. In the event that this Agreement is validly terminated in accordance with Section 4.1, then each of the parties shall be relieved of its duties and obligations arising under this Agreement after the date of such termination and such termination shall be without liability to Purchaser or Sellers, provided, that no such termination shall relieve any party hereto from liability for any willful breach of this Agreement and, provided, further, that the obligations of the parties set forth in Article X hereof shall survive any such termination and shall be enforceable hereunder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF SELLERS

Subject to such exceptions as may be specifically set forth in the Disclosure Schedule attached to this Agreement as Exhibit F (the "Disclosure Schedule"), each of the Sellers jointly and severally represents and warrants to Purchaser that each of the statements contained in this Article V are true, complete and not misleading as of the date of this Agreement, and each of such statements shall be true, complete and not misleading on and as of the date of the Closing (except to the extent that such failure has not had and would not reasonably be expected to have a Material Adverse Effect), as follows:

5.1 Organization, Good Standing and Qualification. Each of the Target Companies is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation. Each of the Target Companies has all requisite legal and corporate power and authority to carry on its business as now conducted, and is duly qualified to transact business in each jurisdiction in which the failure to so qualify would reasonably be expected to result in a Material Adverse Effect.

5.2 Corporate Structure; Subsidiaries.

(a) Section 5.2(a) of the Disclosure Schedule sets forth a complete list showing all members of CMS Cayman and their respective ownership interests therein. CMS Cayman owns all of the issued and outstanding ownership interests in CMS California and Mongoose. Except as set forth in this Section 5.2(a), no Target Company owns or controls, directly or indirectly, any interest in any other Person or is a participant in any joint venture, partnership or similar arrangement.

(b) The authorized shares or other equity interests of Mongoose, as well as the number of such shares or other equity interests of Mongoose issued and outstanding, as of the date hereof are set forth in Section 5.2(b) of the Disclosure Schedule. All of such outstanding shares of capital stock or other equity interests of Mongoose have been duly authorized, validly issued and are fully paid and nonassessable. Except as set forth in Section 5.2(b) of the Disclosure Schedule, (i) the share capital or other equity interests of Mongoose is not subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by Mongoose; (ii) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any share capital or other equity interest of Mongoose, or Contracts by which Mongoose is or may become bound to issue additional share capital or other equity interests of or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any share capital or other equity interest of Mongoose; (iii) there are no agreements or arrangements under which Mongoose is obligated to register the sale of any of its securities under any applicable securities Laws; (iv) there are no outstanding securities or instruments of Mongoose which contain any redemption or similar provisions; and (v) Mongoose does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement.

5.3 Authorization. Each of the Target Companies has all requisite legal and corporate power, and has taken all corporate action on the part of such Person, its officers, directors, members and shareholders as may be necessary for the authorization, execution and delivery of this Agreement and each of the Transaction Documents to which it is a party and the performance of all obligations of such Person hereunder and thereunder. Each of the Transaction Documents to which each Target Company is a party, when executed and delivered by such Person, will constitute the valid and legally binding obligation of such Person, enforceable against such Person in accordance with their respective terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other Laws of general application affecting enforcement of creditors' rights generally, and (ii) as limited by Laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

5.4 Governmental Consents. Except as set forth in Section 5.4 of the Disclosure Schedule, no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Authority on the part of each of the Target Companies is required in connection with the valid execution, delivery and consummation of the transactions contemplated by this Agreement or the Transaction Documents.

5.5 Broker. No Seller, nor the Affiliates of any Seller, has any Contract with any broker, finder or similar agent with respect to the transactions contemplated by this Agreement or by any of the Transaction Documents and no Seller, nor the Affiliates of any Seller, has incurred any liability for any brokerage fees, agents' fees, commissions or finders' fees in connection with any of the Transactions Documents or the consummation of the transactions contemplated therein.

5.6 Tax Matters.

(a) All Tax Returns for Taxes of Sellers with respect to which Purchaser could be liable ("Successor Liability Taxes") have been timely filed by each Seller or requests for extensions have been timely filed, granted, and have not expired for periods ended on or before Closing, and all Tax Returns filed are complete and accurate. All Successor Liability Taxes that are due and owing with respect to periods (or portions thereof) ending on or prior to the Closing Conditions Date have been paid, whether or not such Taxes are shown on filed Tax Returns. There are no Liens on any of the Purchased Assets resulting from any failure (or alleged failure) to pay any Tax.

(b) All Tax Returns required to be filed by or on behalf of Mongoose have been duly and timely filed with the appropriate Government Authority in all jurisdictions in which such Tax Returns are required to be filed (after giving effect to any valid extensions of time in which to make such filings), and all such Tax Returns are true, complete and correct in all material respects; and all Taxes payable by or on behalf of Mongoose (whether or not shown on any Tax Return) have been fully and timely paid. Any required estimated Tax payments sufficient to avoid any underpayment penalties have been made by or on behalf of Mongoose.

(c) Mongoose has complied in all material respects with all applicable laws relating to the payment and withholding of Taxes and has duly and timely withheld and paid over to the



appropriate Governmental Authority all amounts (other than de minimus amounts if such failure was not intentional) required to be so withheld and paid under all applicable laws.]

(d) No Target Company has received written notice from a Taxing Authority in a jurisdiction where any Target Company does not file Tax Returns such that it is or may be subject to taxation by that jurisdiction.

(e) All deficiencies asserted or assessments made as a result of any examinations by any Governmental Authority of the Tax Returns of, or including, Mongoose have been fully paid, and there are no other audits or investigations by any Governmental Authority in progress and no Target Company has received any written notice from any Governmental Authority that it intends to conduct such an audit or investigation. No issue has been raised by a Governmental Authority in any prior examination of Mongoose which, by application of the same or similar principles, could reasonably be expected to result in a proposed deficiency for any subsequent taxable period.

(f) Mongoose is not subject to any private letter ruling of the IRS or comparable rulings of any Governmental Authority.

(g) There are no Liens as a result of any unpaid Taxes upon any of the assets of Mongoose other than liens for current Taxes not yet due or payable.

(h) None of the Target Companies has been the subject of any examination or investigation by any tax authority relating to the conduct of its business or the payment or withholding of Taxes that has not been resolved or is currently the subject of any examination or investigation by any tax authority relating to the conduct of its business or the payment of withholding of Taxes. None of the Target Companies is responsible for the Taxes of any other Person by reason of Contract, successor liability or otherwise.

5.7 Constitutional Documents; Books and Records. The Memorandum and Articles and the constitutional documents of each of the Sellers are in the form made available to special counsel for Purchaser. Each of the members of the Seller Group maintains its books of accounts and records in the usual, regular and ordinary manner, on a basis consistent with prior practice, and which permits its Financial Statements (as defined below) to be prepared in accordance with U.S. GAAP.

5.8 Financial Statements.

(a) Sellers have delivered to Purchaser the unaudited consolidated statements of operations and cash flows of the Business for the period from the date of inception through May 31, 2008 (the "Statement Date"), (collectively, the financial statements referred to above, the "Financial Statements"). The Financial Statements are (x) complete and correct in all material respects and present fairly the financial condition and position of the Business as of their respective dates, in each case except as disclosed therein and except for the absence of notes, and (y) prepared in accordance with U.S. GAAP.

(b) Except as set forth in the Financial Statements, there are no Liabilities of any Target Company, whether accrued, absolute, contingent or otherwise (including, without

limitation, Liabilities as guarantor or otherwise with respect to obligations of any other Person, or liabilities for Taxes due or then accrued or to become due), except for Liabilities which have arisen in the Ordinary Course of Business since the Statement Date.

5.9 Changes. With respect to the Business, since the Statement Date, other than with respect to matters undertaken as specifically contemplated by this Agreement or in the Ordinary Course of Business, there has not been:

- (a) any change in the assets, liabilities, financial condition or operations of each of the Target Companies from that reflected in the Financial Statements;
- (b) any waiver by any Target Company of a valuable right or of a debt owed to it;
- (c) any incurrence of or commitment to incur any indebtedness for money borrowed;
- (d) any resignation or termination of any Key Employee of the Business, and to the Knowledge of the Sellers, no such employee intends to resign and none of the Target Companies intends to terminate the employment of any such employee;
- (e) any satisfaction or discharge of any Lien or payment of any obligation by any Target Company;
- (f) any change, amendment to or termination of a Material Contract;
- (g) any change in any compensation arrangement or agreement with any employee of the Business;
- (h) any sale, assignment, exclusive license, or transfer of any Business Intellectual Property;
- (i) any mortgage, pledge, transfer of a security interest in, or lien, created by any Target Company, with respect to any of its properties or assets, except liens for taxes not yet due or payable;
- (j) any loan or advance to, guarantee for the benefit of, or investment in, any Person (including but not limited to any of the employees, officers or directors, or any members of their immediate families, of any Target Company), corporation, partnership, joint venture or other entity;
- (k) any declaration, setting aside or payment or other distribution in respect of any Target Company's capital shares, or any direct or indirect redemption, purchase or other acquisition of any of such shares by any Target Company (including without limitation, any warrants, options or other rights to acquire capital stock or other equity securities);
- (l) any failure to conduct business in the ordinary course, consistent with the past practices of any Target Company;

(m) any damage, destruction or loss, whether or not covered by insurance, adversely affecting the assets, properties, financial condition, operation or business of any Target Company;

(n) receipt of notice that there has been a loss of, or order cancellation by, any customer of any Target Company;

(o) made any charitable contributions or pledges;

(p) made capital expenditures or commitments therefor;

(q) any other event or condition of any character which individually or in the aggregate might adversely affect the assets, properties, financial condition, operating results or business of any Target Company; or

(r) any agreement or commitment by any of the Target Companies to do any of the things described in this Section 5.9.

5.10 Litigation. There is no action, suit, or other court, regulatory or other proceeding pending or, to the Knowledge of any Seller, currently threatened against any Target Company, or threatened against or affecting any of the officers, directors or employees of any Target Company with respect to their businesses or proposed business activities, nor is any Seller aware of any basis for any of the foregoing. The foregoing shall include but not be limited to any action, suit, or other court, regulatory or other proceeding involving the prior employment of any of employees of any Target Company, their use in connection with the Business of any information or techniques allegedly proprietary to any of their former employers or their obligations under any agreements with prior employers. There is no investigation pending or, to the Knowledge of any Seller, threatened against any Target Company. There is no action, suit, proceeding or investigation pending or, to the Knowledge of any Warrantor, threatened against any Key Employee or director of any Target Company in connection with their respective relationship with such entity. There is no judgment, decree or order of any court or Governmental Authority in effect and binding on any Target Company or their respective assets or properties. There is no court action, suit, proceeding or investigation by any Target Company which such Person intends to initiate against any third party. No Government Authority has at any time materially challenged or questioned in writing the legal right of any of the Target Company to conduct the Business as presently being conducted or proposed to be conducted. None of Target Companies have received any opinion or memorandum or advice from legal counsel to the effect that it is exposed, from a legal standpoint, to any Liability or disadvantage which may be material to its business.

5.11 Commitments.

(a) Section 5.11(a) of the Disclosure Schedule contains a complete and accurate list of all Contracts to which each of the Target Companies is bound that involve (i) obligations (contingent or otherwise) or payments to or from such member in excess of \$10,000, (ii) the license or transfer of Intellectual Property or other proprietary rights to or from any Target Company, or (iii) any Contracts that affect the assets, properties, financial conditions, operation or business of any Target Company in any material respect, including but not limited to any

Contract having an effective term of more than one (1) year (collectively, the "Material Contracts").

(b) There are no Contracts of any Target Company containing covenants that purport to restrict the business activity of any Target Company, or limit in any material respect the freedom of any Target Company to engage in any line of business that it is currently engaged in or proposes to engage in, to compete in any material respect with any entity or to obligate in any material respect any Target Company to share, license or develop any product or technology.

(c) All of the Material Contracts are valid, subsisting, in full force and effect and binding upon the applicable Target Company and to the other parties thereto.

(d) Each of the Target Companies has in all material respects satisfied or provided for all of its Liabilities under the Material Contracts requiring performance prior to the date hereof, is not in default in any material respect under any Material Contract, nor does any condition exist that with notice or lapse of time or both would constitute such a default. None of the Sellers have knowledge of any material default thereunder by any other party to any Material Contract or any condition existing that with notice or lapse of time or both would constitute such a material default, or give any Person the right to declare a material default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify, a Material Contract.

(e) None of the Target Companies has given to or received from any Person any notice or other communication (whether oral or written) regarding any actual, alleged, possible, or potential material violation or material breach of, or material default under, any Material Contract.

(f) With respect to each Material Contract to which it is a party, each of the Target Companies has taken all necessary corporate actions, fulfilled all conditions and otherwise taken all other actions required by applicable Laws to (i) enter into, execute, adopt, assume, issue, and deliver such Material Contract, and (ii) perform its obligations pursuant to the respective terms and conditions of such Material Contract.

(g) Each of the Material Contracts does not (i) result in a violation or breach of any provision of the respective Memorandum and Articles or other constitutional documents of any Target Company, or (ii) result in a material breach of, or constitute a material default under, or result in the creation or imposition of, any Lien, charge, encumbrance or claim pursuant to any Contract to which any Target Company is a party or by which any Target Company or any of their properties is bound, or (iii) except to the extent that such non-compliance would not reasonably be expected to result in a Material Adverse Event, result in a breach of any Laws to which any Target Company is subject to or by which any Target Company or any of their respective properties is bound.

#### 5.12 Compliance with Laws.

(a) Each Target Company is in compliance in all material respects with all Laws or regulations that are applicable to it or to the conduct or operation of its business or the ownership or use of any of its assets or properties.

(b) No event has occurred and no circumstance exists that (with or without notice or lapse of time) (i) may constitute or result in a violation by any Target Company of, or a failure on the part of such member to comply with, any Law or regulation, or (ii) may give rise to any obligation on the part of any of the Target Companies to undertake, or to bear all or any portion of the cost of, any Remedial Action of any nature.

(c) None of the Target Companies has received any notice from any Governmental Authority regarding (i) any actual, alleged, possible or potential material violation of, or material failure to comply with, any Law, or (ii) any actual, alleged, possible or potential material obligation on the part of such Target Company to undertake, or to bear all or any portion of the cost of, any Remedial Action of any nature.

(d) Neither any Target Company nor any of its respective officers, directors or representatives has (i) made, directly or indirectly, any payment, loan or gift of any money, or anything of value to, or for the use of, any government official (including an official of a government-owned or controlled entity), any political party or official, or any candidate for political office, or any other person where it knew or had reason to know that such payment, loan or gift would be given directly or indirectly to any government official or political party or official candidate, and it has not taken any action or made any payment (including promises to take action or make payments) for the purpose of inducing any of the foregoing persons to do any act to make any decisions in his or its official capacity (including a decision to fail to perform his or its official function) or use his or its influence with a government or instrumentality in order to affect any act or decision of such government or instrumentality in order to assist any Target Company or their respective Affiliates in obtaining or retaining any business or to obtain an unfair competitive advantage or which may cause any Target Company or their respective Affiliates to be in violation of, the FCPA or similar laws and regulations, or (ii) established or maintained any fund or assets in which any Target Company has proprietary rights that have not been recorded in its books and records of such Target Company.

(e) The business of each of the Target Companies as now conducted and proposed to be conducted are in compliance with all Laws and regulations that may be applicable, including without limitation all Laws of the PRC with respect to mergers, acquisitions, foreign investment and foreign exchange transactions.

#### 5.13 Title; Liens; Permits.

(a) The Target Entities have good and marketable title to all the tangible properties and assets reflected in their books and records, whether real, personal or mixed, purported to be owned by the members of the Seller Group, free and clear of any Liens, other than Permitted Liens. With respect to the tangible property and assets that are leased by any Target Company, each of the Target Companies is in compliance in all material respects with such leases and holds a valid leasehold interest free of any Liens, other than Permitted Liens. Each of the Target Companies owns or leases all tangible properties and assets necessary to conduct in all material respects their respective business and operations as presently conducted.

(b) Each of the members of the Seller Group has all material franchises, authorizations, approvals, permits, certificates and licenses, including without limitation any

special approval or permits required under the Laws of the PRC ("Permits") necessary for its respective business and operations as now conducted or planned to be conducted. None of the members of the Seller Group is in default under any such Permit.

(c) Section 5.13(c) of the Disclosure Schedule contains (i) a true and correct list of each item of Purchased Personal Property with value of no less than US\$5,000 and (ii) a true and correct list of each item of the tangible personal property owned by Mongoose with value of no less than US\$5,000.

(d) Section 5.13(d) of the Disclosure Schedule contains (i) a true and correct list of each item of tangible personal property leased included in the Purchased Assets with value of no less than US\$5,000 and that is leased by Sellers and (ii) a true and correct list of each item of tangible personal property with value of no less than US\$5,000 and leased by Mongoose. Each of the leases described on Section 5.13(d) of the Disclosure Schedule is in full force and effect and there are no existing defaults by any Target Company or, to the knowledge of Sellers any other party to such lease. No rights of any Target Company under such leases have been assigned or otherwise transferred as security for any obligation of any Target Company. All such leases are fully assignable without the consent of any third party.

5.14 Compliance with Other Instruments. None of the Target Companies is in violation, breach or default of its Memorandum and Articles or any other constitutional documents (which include, as applicable, any articles of incorporation, articles of association, by-laws, joint venture contracts and similar documents). The execution, delivery and performance by each of the Target Companies of and compliance with each of the Transaction Documents, and the consummation of the transactions contemplated hereby and thereby, will not result in any such violation, breach or default, or be in conflict with or constitute, with or without the passage of time or the giving of notice or both, a default under (i) the Memorandum and Articles or any other such constitutional documents of any Target Company, (ii) any Material Contract, (iii) any judgment, order, writ or decree or (iv) any Law.

5.15 Intellectual Property Rights.

(a) Other than with respect to Intellectual Property subject to applicable shelf licenses and any Intellectual Property the loss of which would not, individually or in the aggregate, have an adverse impact on any Target Company or its business, (i) Section 5.16 of the Disclosure Schedule contains a complete and accurate list of all material Intellectual Property owned, licensed to or used by the Target Companies, whether registered or not, and a complete and accurate list of all licenses granted by the Target Companies to any third party with respect to any Intellectual Property, and (ii) the Target Companies own or otherwise have sufficient rights or licenses to use all such Intellectual Property for purposes of conducting their business without any violation or infringement of the rights of others, free and clear of all Liens other than Permitted Liens. There is no pending or, to the Knowledge of any Seller, threatened, claim or litigation against any Target Company, contesting the right to use its Intellectual Property, asserting the misuse thereof, or asserting the infringement or other violation of any Intellectual Property of any third party. All material inventions and material know-how conceived by employees of the Seller Group and related to the businesses of the Seller Group are "works made

for hire”, and all right, title, and interest therein, including any applications therefore, have been transferred and assigned to, and are currently owned by, the Seller Group.

(b) No proceedings or claims in which any Target Company alleges that any person is infringing upon, or otherwise violating, any of the Intellectual Property rights of any Target Company are pending, and none has been served, instituted or asserted by any Target Company.

(c) None of the Key Employees of any Target Company is obligated under any Contract, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of his or her best efforts to promote the interests of the any Seller Group or that would conflict with the business of the Seller Group as presently conducted. It will not be necessary to utilize in the course of the business operations of any Target Company any inventions of any of the respective employees of the members of the Seller Group made prior to their employment by the Seller Group, except for inventions that have been validly and properly assigned or licensed to the Seller Group as of the date hereof.

(d) Each of the members of the Seller Group has each taken all security measures that in the judgment of the members of the Seller Group are commercially prudent in order to protect the secrecy, confidentiality and value of their respective Intellectual Property.

#### 5.16 Labor Agreements and Actions.

(a) The Sellers are not aware that any Key Employee, or that any group of employees of the members of the Seller Group, intends to terminate their employment with any Target Company nor do any of the Target Companies have a present intention to terminate the employment of any of the foregoing.

(b) None of the Target Companies is a party to or bound by any currently effective employment Contract, deferred compensation agreement, bonus plan, incentive plan, profit sharing plan, retirement agreement or other employment compensation agreement. The members of the Seller Group have complied with all applicable Laws related to employment, and, to the Knowledge of any Seller, none of the Target Companies has any union organization activities, threatened or actual strikes or work stoppages or material grievances. None of the Target Companies is bound by or subject to (and none of their assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labor union. Each of the Target Companies maintains, and has fully funded, any pension plan and any other labor-related plans that it is required by Law or by Contract to maintain. Each of the Target Companies is in compliance with any Law relating to its provision of any form of social insurance (“Social Insurance”), and has paid, or made provision for the payment of, all Social Insurance contributions required under applicable Law.

5.17 Proprietary Information and Inventions Agreement. Each employee, officer and consultant of each of the Target Companies has executed a Proprietary Information and Inventions Agreement (the “Proprietary Information and Inventions Agreement”) in the form made available to Purchaser. To the Knowledge of the Sellers, none of the employees, officers or consultants of any of the Target Companies are in violation thereof, and each of the Target Companies will use its best efforts to prevent any such violation.

5.18 Obligations of Management. Each Key Employee of the Target Companies is currently devoting substantially all of his or her business time to the conduct of the Business. No Key Employee of any Target Company is, to the Knowledge of any Seller, planning to work less than full time for the Business in the future. No Key Employee is currently working or, to the Knowledge of any Seller, plans to work for any other Person that competes with the Business, whether or not such Key Employee is or will be compensated by such Person.

5.19 Advisors. None of the Target Companies has any Contract with any financial or other advisors.

5.20 Disclosure. Sellers have provided Purchaser with all the information regarding the Business and the Target Companies requested by Purchaser for deciding whether to purchase the assets of Sellers. No representation or warranty of the Sellers contained in this Agreement or any certificate furnished or to be furnished to Purchaser at the Closing under this Agreement, when taken as a whole, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. Except as set forth in this Agreement or the Disclosure Schedule, to the Knowledge of Sellers, there is no fact that Sellers have not disclosed to Purchaser in writing and of which any of its officers, directors or executive employees is aware and that has had or would reasonably be expected to have an adverse effect upon the financial condition, operating results, assets, customer or supplier relations, employee relations or business prospects of any of the Target Companies.

5.21 Adequacy of the Purchased Assets. The Purchased Assets include, and upon the purchase of the Purchased Assets Purchaser will own or have the uncontested right to use, all material rights, properties (including Business Intellectual Property), interests in properties, and assets necessary to permit Purchaser to carry on the Business as presently conducted by Sellers.

5.22 Accounts Receivable. All of the material accounts receivable of the Business are properly reflected in the Financial Statements and are, subject to the allowance for doubtful accounts set forth therein, valid and enforceable claims, subject to no set-off or counterclaim, and are fully collectible in the ordinary course of business.

5.23 Employee Benefits.

(a) Other than its stock option plan and certain policies providing benefits to employees set forth in the Employee Handbooks attached in Section 5.23 of the Disclosure Schedule, no Target Company has adopted or maintains any benefit plan under which any Target Company has any obligation or liability, contingent or otherwise, or under which any employee or former employee of any Target Company (including leased employees and all individuals who are or were primarily engaged in the conduct of the business) has any present or future right to benefits (collectively, the "Target Company Benefit Plans"). Each Target Company Benefit Plan complies with and has been administered in all material respects with all Laws or Contracts by which it is governed. There are no pending investigations by any governmental authority involving any Target Company Benefit Plan and, to the Knowledge of the Sellers, no threatened or pending claims against any Target Company Benefit Plan (except for claims for benefits



payable in the normal operation of any Target Company Benefit Plan). All contributions to, and payments from, each Target Company Benefit Plan have been timely made.

(b) With respect to each Target Company Benefit Plan that is currently sponsored or maintained outside the jurisdiction of the United States by the Company or any of its subsidiaries, that is not subject to the Laws of the United States, and that covers an employee of a Target Company or any of its subsidiaries that resides or works outside the United States, other than government mandated programs that are operated by a foreign government, (each a "Non U.S. Benefit Plan"), the following representations are made with respect to those "Non U.S. Benefit Plans":

(i) all employer and employee contributions to each Non U.S. Benefit Plan required by law or by the terms of such Non U.S. Benefit Plan have been made, or, if applicable, accrued in accordance with normal accounting practices;

(ii) the fair market value of the assets of each funded Non U.S. Benefit Plan, the liability of each insurer for any Non U.S. Benefit Plan funded through insurance or the book reserve established for any Non U.S. Benefit Plan, together with any accrued contributions, is sufficient to procure or provide for the benefits determined as if such plan is maintained on any ongoing basis (actual or contingent) accrued to the date of this Agreement with respect to all current and former participants under such Non U.S. Benefit Plan according to the actuarial assumptions and valuations most recently used to determine employer contributions to such Non U.S. Benefit Plan, and no transaction shall cause such assets or insurance obligations to be less than such benefit obligations; and

(iii) each Non U.S. Benefit Plan maintained by the Company or any subsidiary required to be registered or approved has been registered or approved and has been maintained in good standing with applicable regulatory authorities. Each Non U.S. Benefit Plan is now and always has been operated in material compliance with all applicable Laws.

## ARTICLE VI

### REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to each of the Sellers, that:

6.1 Status. Purchaser is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or formation.

6.2 Authorization. Purchaser has full power and authority to enter into this Agreement and each of the Transaction Documents to which it is a party, and this Agreement and each of the Transaction Documents to which it is a party, when executed and delivered by Purchaser, will constitute valid and legally binding obligations of Purchaser, enforceable against it in accordance with their respective terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting

enforcement of creditors' rights generally, and (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

6.3 Disclosure of Information. Purchaser believes it has received all the information it considers necessary or appropriate for deciding whether to enter into this Agreement and consummate the transactions contemplated hereby. Purchaser and its advisors have been afforded the opportunity to ask questions of and receive answers from representatives of Sellers regarding the terms and conditions of the sale and relating to the business, finances and operations of Sellers. Notwithstanding the foregoing, each party acknowledges and agrees that the foregoing shall not in any way limit, reduce or affect the representations and warranties provided by the Sellers in this Agreement or the right of Purchaser to rely thereon.

6.4 Investment Experience. Purchaser is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Mongoose Equity. If other than an individual, Purchaser also represents it has not been organized for the purpose of acquiring the Purchased Assets.

6.5 Conflicts; Consents of Third Parties.

(a) None of the execution and delivery by Purchaser of this Agreement or the Transaction Documents to which Purchaser is a party, the consummation of the transactions contemplated hereby or thereby, or compliance by Purchaser with any of the provisions hereof or thereof will conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation under, any provision of (i) the certificate of incorporation or by-laws or other comparable organizational documents of Purchaser; (ii) any Contract or Permit to which Purchaser is a party or by which any of the properties or assets of Purchaser are bound; (iii) any Order of any Governmental Authority applicable to Purchaser or by which any of the properties or assets of Purchaser are bound; or (iv) any applicable Law, other than, in each case, such conflicts, violations, defaults, terminations or cancellations that would not have a material adverse effect on Purchaser's ability to consummate the transactions contemplated hereby or thereby.

(b) No consent, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to (each, a "Consent"), any Person or Governmental Authority is required on the part of Purchaser in connection with the execution and delivery of this Agreement or the Transaction Documents to which Purchaser is a party or the compliance by Purchaser with any of the provisions hereof or thereof, or the consummation of the transactions contemplated hereby or thereby, except for such Consents the failure of which would not have a material adverse effect on Purchaser's ability to consummate the transactions contemplated hereby or thereby.

6.6 Litigation. There are no Legal Proceedings pending or, to the knowledge of Purchaser, threatened that are reasonably likely to prohibit or restrain the ability of Purchaser to enter into this Agreement or consummate the transactions contemplated hereby.

6.7 Financial Advisors. No Person has acted, directly or indirectly, as a broker, finder or financial advisor for Purchaser in connection with the transactions contemplated by this Agreement and no Person is entitled to any fee or commission or like payment in respect thereof.

6.8 Sufficient Funds. On the Closing Conditions Date, Purchaser will have available sufficient funds to pay each of the CMS Purchase Price and the Mongoose Purchase Price.

ARTICLE VII

COVENANTS

7.1 Earnout.

(a) Within four (4) weeks after Purchaser has published its financial results on the Frankfurt stock exchange for each of the five (5) fiscal quarters beginning with the fiscal quarter ending December 31, 2009 and ending with the fiscal quarter ending December 31, 2010 (each, an "Earnout Fiscal Quarter"), Purchaser shall give written notice to the Seller Representative of the Earnout Amount (as defined below) achieved in the expired Earnout Fiscal Quarter and pay the Earnout Amount in cash to the Seller Representative unless Purchaser has elected to settle all or a portion of the claim for the Earnout Amount in shares of Purchaser (the "Earnout Shares"). The Earnout Amount shall be calculated in accordance with the following formula (with all calculations made in United States dollars, and all conversions from any other currency to United States dollars made based upon the average interbank exchange rate published at [www.oanda.com](http://www.oanda.com) during the applicable Earnout Fiscal Quarter):

$$A = B \times C$$

WHERE:

A = the Earnout Amount.

B = the Aggregate EBIT (as defined below) as of the last day of the Earnout Fiscal Quarter minus the amount of this defined term "B" utilized in the calculation of any Earnout Amount to be paid in accordance with this Section 7.1 with respect to any previously completed Earnout Fiscal Quarter; provided, that this defined term "B" shall not equal less than zero.

C = eight (8)

Aggregate EBIT = The lesser of (i) \$2,000,000 or (ii) beginning from October 1, 2009, the aggregate earnings before interest and taxes of Mongoose and of Purchaser and all Affiliates of Purchaser that is derived from any of the Purchased Assets, Business or efforts of any California Sub Employee, as reported by Purchaser on a quarterly basis to the Frankfurt stock exchange, amended (to the extent necessary) such that Aggregate EBIT shall (i) have been calculated in accordance with IFRS/IAS GAAP, (ii) include the salary and benefit costs of each of the California Sub Employees, and (iii) not include any overhead allocations from Purchaser

unless specifically agreed to by Purchaser and Sellers or the Seller Representative.

(b) In the event that Purchaser elects to settle the Earnout Amount in Earnout Shares, the number of Earnout Shares shall be calculated as follows:

$$E = A/D$$

WHERE:

A = the portion of the Earnout Amount to be paid in shares of Purchaser.

D = the average of the closing share price for Purchaser shares on the Frankfurt stock exchange for the five (5) trading days ending on the last day of the Earnout Fiscal Quarter (or on the last trading day before such date, if such date is not a trading day).

E = The number of Earnout Shares.

(c) The settlement in Earnout Shares shall occur at Purchaser's option by (i) delivery of own shares (treasury shares) of Purchaser to the Seller Representative, free and clear of all Liabilities and Liens, identical in all respects to the publicly traded shares of Purchaser and available for sale to the public without restriction on the Frankfurt stock exchange (or such other exchange, the shares of Purchaser are admitted for trading), or (ii) the issue of new shares of Purchaser from authorized or conditional capital to the Seller Representative, free and clear of all Liabilities and Liens and identical in all respects to the publicly traded shares of Purchaser (provided, however, that the newly issued shares will not bear any rights to profits pertaining to business years prior to the business year in which they are allotted to the Seller Representative) against contribution in kind of the Seller Representative's claim for the payment of the Earnout Amount. Sellers undertake that the Seller Representative will fully co-operate with Purchaser with regard to the contribution of the Earnout Amount, including but not limited to entering into customary contribution agreements and subscription forms. Upon allotment of the shares to the Seller Representative, Purchaser will apply for a listing of the newly issued shares on the Frankfurt stock exchange (or such other exchange, the shares of Purchaser are admitted for trading) as soon as reasonably practical.

(d) Subject to Section 9.5, any Earnout Amount or Earnout Shares to be paid or delivered to the Seller Representative shall be paid or delivered in accordance with the written instructions of the Seller Representative.

(e) The parties hereto hereby further agree that all calculations made in accordance with this Section 7.1 shall be made in United States dollars, and all conversions from any other currency to United States dollars shall be made based upon the average interbank exchange rate published at www.oanda.com during the applicable Earnout Fiscal Quarter.

## 7.2 Interim Operations of Mongoose.

(a) As promptly as practicable after the date of this Agreement, CMS Cayman shall take any necessary action to cause its shareholders to elect two representatives of Purchaser to be named to the board of directors or equivalent body of CMS Cayman (the "Integrals Directors").

CMS Cayman shall take all necessary steps to (i) fix the number of directors serving on the CMS Cayman board of directors at five (5), and (ii) cause the Integrals Directors, or any substitute nominated in writing by Purchaser, to remain on the board of directors until the earlier of (A) the termination of this Agreement in accordance with Article IV or (B) the Closing Date. Purchaser and CMS Cayman shall establish a committee (the "Integration Committee") to manage the continued operations of Mongoose. The Integration Committee shall consist of four (4) members, of which Purchaser shall be entitled to appoint, and remove from such appointment, two (2) members (each of whom shall be a member of the board of directors of CMS Cayman), and CMS Cayman shall be entitled to appoint, and remove from such appointment, two (2) members. The chairman of the Integration Committee shall be designated by Purchaser from among the members of the Integration Committee appointed by Purchaser.

(b) Prior to the Closing, except (i) as required by applicable Law, (ii) as otherwise contemplated by this Agreement or (iii) with the prior written consent of Purchaser, Mongoose shall not take any action outside of the Ordinary Course without the prior approval of a majority of the members of the Integration Committee; provided, however, that in the event that no majority vote can be achieved, the chairman of the Integration Committee shall be entitled to cast the deciding vote). Without limiting the foregoing, Mongoose shall not, and Sellers shall not cause Mongoose to, issue, grant or enter into any Contract with respect to any options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any share capital or other equity interest of Mongoose, or Contracts by which Mongoose is or may become bound to issue additional share capital or other equity interests of or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any share capital or other equity interest of Mongoose

(c) As promptly as practicable after the date of this Agreement, CMS Cayman shall cause one representative of Purchaser to be elected to the board of directors or equivalent body of Mongoose. CMS Cayman shall take all necessary steps to (i) fix the number of directors serving on the Mongoose board of directors at three (3), and (ii) cause the Purchaser's nominee, or any substitute nominated in writing by Purchaser, to remain on the board of directors of Mongoose, in each case until the earlier of (i) the termination of this Agreement in accordance with Article IV or (ii) the Closing Date.

7.3 Consents. Purchaser and Seller shall use their commercially reasonable efforts to obtain at the earliest practicable date all Consents required to consummate the transactions contemplated by this Agreement.

7.4 Confidentiality.

(a) Disclosure of Terms. The terms and conditions of this Agreement, any term sheet or memorandum of understanding entered into pursuant to the transactions contemplated hereby, all exhibits and schedules attached hereto and thereto, the transactions contemplated hereby and thereby, including their existence, and all information furnished by any party hereto and by representatives of such parties to any other party hereof or any of the representatives of such parties (collectively, the "Confidential Information"), shall be considered confidential

information and shall not be disclosed by any party hereto to any third party except in accordance with the provisions set forth below.

(b) Permitted Disclosures. Notwithstanding the foregoing, Sellers and Purchaser may disclose (i) the Confidential Information to its current or bona fide prospective investors, Affiliates and their respective employees, bankers, lenders, accountants, legal counsels, business partners or representatives or advisors who need to know such information, in each case only where such persons or entities are informed of the confidential nature of the Confidential Information and are under appropriate nondisclosure obligations substantially similar to those set forth in this Section 7.4, (ii) such Confidential Information as is required to be disclosed pursuant to routine examination requests from Governmental Authorities with authority to regulate such Party's operations, in each case as such party deems appropriate in its sole discretion, and (iii) the Confidential Information to any Person to which disclosure is approved in writing by the other parties hereto. Any party hereto may also provide disclosure in order to comply with applicable Laws, as set forth in Section 7.4(c) below.

(c) Legally Compelled Disclosure. Except as set forth in Section 7.4(b) above, in the event that any party is requested or becomes legally compelled (including without limitation, pursuant to any applicable tax, securities, or other Laws and regulations of any jurisdiction) to disclose the existence of this Agreement, such party (the "Disclosing Party") shall provide the other parties hereto with prompt written notice of that fact and shall consult with the other parties hereto regarding such disclosure. At the request of any other parties, the Disclosing party shall, to the extent reasonably possible and with the cooperation and reasonable efforts of the other parties, seek a protective order, confidential treatment or other appropriate remedy. In any event, the Disclosing Party shall furnish only that portion of the information that is legally required and shall exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded such information.

(d) Other Exceptions. Notwithstanding any other provision of this Section 7.4, the confidentiality obligations of the parties shall not apply to: (i) information which a restricted party learns from a third party which the receiving party reasonably believes to have the right to make the disclosure, provided, that the restricted party complies with any restrictions imposed by the third party; (ii) information which is rightfully in the restricted party's possession prior to the time of disclosure by the protected party and not acquired by the restricted party under a confidentiality obligation; or (iii) information which enters the public domain without breach of confidentiality by the restricted party.

(e) Other Information. The provisions of this Section 7.4 shall terminate and supersede the provisions of any separate nondisclosure agreement executed by any of the parties hereto with respect to the transactions contemplated hereby.

#### 7.5 Publicity.

(a) Sellers and Purchaser shall not issue any press release or public announcement concerning this Agreement or the transactions contemplated hereby without obtaining the prior written approval of the other party hereto, which approval will not be unreasonably withheld or delayed, unless, in the judgment of Sellers or Purchaser, disclosure is otherwise required by

applicable Law; provided, that, to the extent required by applicable Law, the party intending to make such release shall use its commercially reasonable efforts consistent with applicable Law or such rules and regulations to consult with the other party with respect to the text thereof.

(b) Each of Sellers, on the one hand, and Purchaser, on the other hand, agree that the terms of this Agreement shall not be disclosed or otherwise made available to the public and that copies of this Agreement shall not be publicly filed or otherwise made available to the public, except where such disclosure, availability or filing is required by applicable Law and only to the extent required by such Law.

7.6 Tax Matters.

(a) Cooperation; Other Tax Matters. Sellers and Purchaser shall cooperate fully with each other in connection with the preparation and timely filing of any Tax Returns required to be prepared and filed by Sellers, Mongoose or Purchaser, or in connection with the preparation or filing of any election, claim for refund, consent or certification. For the avoidance of doubt, with respect to the Purchased Assets, all Tax Returns and other records and information relating to Taxes shall be retained by the Business and constitute part of the Purchased Assets and shall be transferred to Purchaser at the Closing.

(b) Transfer Taxes. Except as set forth below, Purchaser shall be responsible for the timely payment of all sales (including bulk sales), use, value added, documentary, stamp, gross receipts, registration, transfer, conveyance, excise, recording, license, stock transfer stamps, and other similar Taxes and fees ("Transfer Taxes") arising out of or in connection with or attributable to the transactions effected pursuant to this Agreement. Sellers and Purchaser shall use their respective commercially reasonable efforts to and take all commercially reasonable actions necessary to minimize or avoid the incurrence of Transfer Taxes. Notwithstanding the above, any PRC Taxes and fees levied in the PRC in connection with the transfer of the Mongoose Equity and the Mongoose Purchase Agreement shall be borne by the parties in accordance with the PRC Tax Laws and regulations and the relevant double taxation treaties. Purchaser is entitled to withhold any PRC Taxes payable by the Sellers in accordance with the PRC Tax Laws and regulations and remit the amount to the competent PRC tax authority.

(c) Straddle Periods. Taxes attributable to Straddle Periods (including any Taxes resulting from a Tax audit or administrative or court proceeding) shall be apportioned to the period ending on May 31, 2008 and to the period beginning on June 1, 2008 by means of a closing of the books and records of Sellers as of the close of business on May 31, 2008 and, to the extent not susceptible to such allocation, by apportionment on the basis of elapsed days unless such Tax is transaction based (such as sales, transfer and other similar Taxes) in which case such Tax shall be apportioned to the period in which the related transaction occurred/occurs. Sellers, jointly and severally, shall indemnify, defend and hold Purchaser harmless from and against Indemnifiable Losses attributable to all Taxes (or the non-payment thereof) of Mongoose for all taxable periods ending on or before June 1, 2008 and the amount of any Tax Liability of Mongoose apportioned to the period ending on May 31, 2008 in accordance with this Section 7.6(c).

7.7 No Solicitation or Negotiation. Each of the Target Companies agrees that between the date of this Agreement and the earlier of (x) the Closing and (y) the termination of this Agreement, none of the Target Companies, nor any of their respective Affiliates or Representatives will (A) solicit, initiate, encourage or accept any other proposals or offers from any Person (other than Purchaser) (i) relating to any acquisition or purchase of all or any portion of the Purchased Assets or the Business, (ii) to enter into any business combination or other extraordinary business transaction, except as would not impair or delay the ability of Sellers to perform their obligations under this Agreement, or (iii) release any Person from, or waive any provision of, any confidentiality agreement that relates to the Purchased Assets or the Business, or (B) participate in any discussions, conversations, negotiations or other communications regarding, or furnish to any other Person (other than Purchaser) any information with respect to, or otherwise cooperate in any way, assist or participate in, facilitate or encourage any effort or attempt by any other Person to seek to do any of the foregoing. Sellers shall immediately cease and cause to be terminated all existing discussions, conversations, negotiations and other communications with any Persons conducted heretofore with respect to any of the foregoing. Sellers shall notify Purchaser promptly if any such proposal or offer, or any inquiry or other contact with any Person with respect thereto, is made and shall, in any such notice to Purchaser, indicate in reasonable detail the identity of the Person making such proposal, offer, inquiry or contact and the principal terms and conditions of such proposal, offer, inquiry or other contact.

7.8 Certain Notices.

(a) From and after the date of this Agreement until the Closing, Sellers, on the one hand, and Purchaser, on the other, shall promptly notify each other orally and in writing of (i) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement or by the Transaction Documents, (ii) any Legal Proceedings commenced or threatened against, relating to or involving or otherwise affecting such party that, if pending on the date of this Agreement, would have been required to be disclosed pursuant to Article V, in the case of Sellers, or Article VI, in the case of Purchaser, or that relate to the transactions contemplated by this Agreement or the Transaction Documents, (iii) in the case of Sellers, any customer, supplier, vendor, distributor or employee threatening any material modification or change in, or termination of, its business or other relationship with the Business and (iv) in the case of Sellers, any event, circumstance, change, effect or occurrence known to it that (A) individually or taken together with all other events, circumstances, changes, effects or occurrences known to it, has had, or would reasonably be expected to have, a Material Adverse Effect or (B) would result in, or would reasonably be expected to result in, any of the conditions to the Closing set forth in Article VIII not being satisfied or which would adversely affect, in any material respect, the ability of the parties to consummate the transactions contemplated by this Agreement or by the Transaction Documents on a timely basis.

(b) If any information provided by Sellers to Purchaser pursuant to Section 7.8(a) shall disclose the existence or occurrence of a circumstance or event that is material and adverse when compared to the information disclosed in the Disclosure Schedule on the date hereof, such information shall not in any respect be deemed to amend the schedules to this Agreement and the Purchaser shall have the right, at Purchaser's election, to either (i) terminate this Agreement in accordance with Section 4.1(b), or (ii) to consummate the transactions provided for herein, in



which case Purchaser's knowledge of such information shall be disregarded, and to the extent such information discloses facts or circumstances that constitute a breach of any representation, warranty, covenant or agreement of any Seller contained herein, all of Purchaser's rights and remedies with respect to such breach (including Purchaser's right to be indemnified as provided in Article IX hereof) shall be preserved and may be asserted against Sellers without regard to Purchaser's knowledge of such information, it being agreed that Purchaser, in entering into this Agreement, has bargained for the correctness of each representation, warranty, covenant and agreement of Sellers contained herein.

7.9 Mongoose Equity.

(a) Each of Purchaser, Sellers and Mongoose hereby acknowledge and agree that, for purposes of applying to the applicable Governmental Authorities in the PRC with respect to the sale of the Mongoose Equity to Purchaser, such sale shall be made pursuant to a purchase agreement in the form of Exhibit G hereto (the "Mongoose Purchase Agreement").

(b) Preparation of Mongoose Application Package. Purchaser, CMS Cayman and Mongoose shall consult and cooperate with each other in good faith to, as promptly as practicable and in any event within thirty (30) days from the date of this Agreement, (i) prepare the forms of all documentation (other than the Mongoose Purchase Agreement) necessary to effectuate the transfer of the Mongoose Equity to Purchaser, including without limitation all documentation necessary to (A) apply to the Commission of Foreign Trade and Economic Cooperation in the jurisdiction in which Mongoose is formed for approval of the sale of the Mongoose Equity to Purchaser (the "Mongoose Application Package"), (B) apply to the Association of Industry and Commerce in the jurisdiction in which Mongoose is formed for issuance of a new business license of Mongoose reflecting the sale of the Mongoose Equity to Purchaser, and (C) complete any other filings or other procedures with respect to effecting the transfer of the Mongoose Equity to Purchaser; and (ii) appoint an agent or legal counsel satisfactory to Purchaser and Seller to make (upon instructions of Purchaser and Seller) necessary filings with Governmental Authorities in the PRC with respect to the sale of the Mongoose Equity to Purchaser (the "Filing Agent").

(c) Execution of Documentation. Each of Purchaser, CMS Cayman and Mongoose hereby agree to cooperate with each other in good faith to cause all documentation prepared in accordance with Section 7.9 to be duly executed as promptly as practicable (to the extent that execution is required) and delivered to the Filing Agent to hold such documentation in escrow pending submission of such documentation to the relevant Governmental Authorities in the PRC upon the instructions of Purchaser and Seller. The parties agree that, in the event of any conflict between Mongoose Purchase Agreement and this Agreement, the provisions of this Agreement shall control.

7.10 Access and Information. Subject to the confidentiality restrictions set forth in Section 7.4 hereof, from the date hereof to the Closing Date and during normal business hours, each Seller shall afford to Purchaser, its lenders, counsel, accountants, and other representatives, reasonable access to the offices, properties, books, contracts, commitments, records, vendors, and customers of such Seller, insofar as the same relate to the Business and the Purchased Assets, and shall furnish such Persons with all information (including financial and operating

data) concerning the Business and the Purchased Assets as they reasonably may request. Requests for such information shall be coordinated with each Seller's designated representatives, and each Seller shall use its commercially reasonable efforts to assist Purchaser, its lenders, counsel, accountants, and other representatives in their examination.

7.11 Escrow Agent. Within two (2) weeks of any request by the Sellers or by Purchaser, the Sellers and Purchaser shall in good faith jointly select and appoint an Escrow Agent to fulfill the requirements set forth in Article II of this Agreement.

7.12 Cooperation. Sellers and Purchaser shall cooperate with each other in all reasonable respects in connection with the defense of any claim included within any Assumed Liability or Excluded Liability, as the case may be, including making available records relating to such claim and furnishing, without expense, management employees of the party as may be reasonably necessary for the preparation of the defense of any such claim or for testimony as a witness in any proceeding relating to such claim; provided, however, that the foregoing right to cooperation shall not be exercisable by one party in such a manner as to interfere unreasonably with the normal operations and business of the other party.

## ARTICLE VIII

### CONDITIONS TO CLOSING

8.1 Conditions Precedent to Obligations of Purchaser. The obligation of Purchaser to consummate the transactions contemplated by this Agreement is subject to the fulfillment, on or prior to the Closing Conditions Date, of each of the following conditions (any or all of which may be waived by Purchaser in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of Sellers set forth in this Agreement shall be true and correct as of the Closing Conditions Date (except that the accuracy of representations and warranties that by their terms speak as of a specified date will be determined as of such date) except (i) for the representations and warranties set forth in Sections 5.11(a), 5.13(c), 5.13(d) and 5.15(a)(i) of this Agreement and (ii) to the extent that any inaccuracies in such representations and warranties have not had and would not reasonably be expected to have a Material Adverse Effect; provided, that for purposes of this Section 8.1(a), if any representation or warranty made by Sellers includes a materiality qualifier, such qualifier shall be disregarded solely for purposes of determining compliance with this Section 8.1(a); provided, further, that Purchaser may not rely on a failure of the condition set forth in this Section 8.1 resulting from a material breach of a representation or warranty if (A) Purchaser consented to the action (or omission) resulting in such material breach and Purchaser's consent was required with respect to such action pursuant to any Loan Document or Transaction Document, or (B) the applicable Target Company would not have taken such action (or omitted to take such action) resulting in such material breach but for Purchaser's failure to provide a consent required pursuant to any Loan Document or Transaction Document; provided, further, that for purposes of this Section 8.1(a) the defined term "Statement Date" in Section 5.9(a) shall refer to the last date financial statements were delivered to Purchaser under the Loan Agreement.

(b) Sellers shall have performed and complied in all material respects with all obligations and agreements required by this Agreement to be performed or complied with by them on or prior to the Closing Conditions Date, including without limitation the obligations set forth in Section 7.2;

(c) there shall not be in effect any Order by a Governmental Authority of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby;

(d) there shall not be pending or threatened any investigation or Legal Proceeding to which a Governmental Authority is a party (i) seeking to restrain or prohibit the consummation of the transactions contemplated hereby or (ii) seeking to prohibit or limit the ownership or operation by Purchaser of any material portion of the Business or the Purchased Assets.

(e) Sellers shall have delivered to Purchaser all necessary Consents, of parties to any Contract set forth on Section 8.1(e) of the Disclosure Schedule;

(f) Sellers and each of Sand Hill Finance, Sand Hill Management Partners LLC and Infotech Pacific Ventures shall have executed a Restrictive Covenant Agreement substantially in the form attached hereto as Exhibit H;

(g) Sellers shall have delivered evidence that (i) all portions of the registered capital of Mongoose have been fully paid in as required by PRC Law, and (ii) no loans have been granted in excess of the difference between the total amount of investment and the registered capital of Mongoose;

(h) Sellers shall have executed and delivered to Purchaser a Seller Release substantially in form attached hereto as Exhibit I-1 and each of Sand Hill Finance, Sand Hill Management Partners LLC and Infotech Pacific Ventures shall have executed and delivered to Purchaser a Shareholder Release substantially in the form attached hereto as Exhibit I-2; and

(i) either (i) no Governmental Authority shall have required Mongoose to obtain a "value added services" license in accordance with the Laws of the PRC ( a "VAS License") or (ii) in the event a VAS License has been required (A) Mongoose has obtained such VAS License or (B) Mongoose has made arrangements to continue operating the Business as presently conducted and currently planned to be conducted without a VAS License, which arrangements either (1) comply with the Laws of the PRC or (2) are otherwise acceptable in the reasonable judgment of Purchaser and are not explicitly prohibited by the Laws of the PRC or have not been deemed to be illegal by a Government Authority of the PRC.

**8.2 Conditions Precedent to Obligations of Seller.** The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or on the Closing Conditions Date, of each of the following conditions (any or all of which may be waived by Seller in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of Purchaser set forth in this Agreement shall be true and correct in all material respects as of the Closing Conditions Date, with the same effect as though made as of the Closing Conditions Date (except that the accuracy of

representations and warranties that by their terms speak as of a specified date will be determined as of such date), as the case may be; provided that for purposes of this Section 8.2(a), if any representation or warranty made by Purchaser includes a materiality qualifier, such qualifier shall be disregarded solely for purposes of determining compliance with this Section 8.2(a);

(b) Purchaser shall have performed and complied in all material respects with all obligations and covenants required by this Agreement to be performed or complied with by Purchaser on or prior to the Closing Date, as the case may be; and

(c) there shall not be in effect any Order by a Governmental Authority of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby.

8.3 Frustration of Closing Conditions. None of Purchaser or Seller may rely on the failure of any condition set forth in Sections 8.1 or 8.2, as the case may be, if such failure was caused by such party's failure to comply with any provision of this Agreement.

## ARTICLE IX

### INDEMNIFICATION; LIABILITY

9.1 Indemnification. From and after the Closing Date, each of the Sellers hereby agrees to jointly and severally indemnify and hold harmless Purchaser, and such Purchaser's employees, Affiliates, agents and permitted assigns, from and against any and all Indemnifiable Losses suffered by such Purchaser, or such Purchaser's employees, Affiliates, agents and permitted assigns, directly or indirectly, as a result of, or based upon or arising from (a) the breach of any representation or warranty of any Seller contained in or made pursuant to any Transaction Document or in any certificate, Schedule, or Exhibit furnished by any Seller in connection herewith; (b) the breach of any covenants or agreements made by Sellers in or pursuant to any Transaction Document; (c) any Excluded Liability; and any VAS License Indemnification Obligation (defined below). The entity seeking indemnification with respect to any Indemnifiable Loss (the "Indemnified Party") shall give written notice to the party or parties required to provide indemnity hereunder (the "Indemnifying Party"). A "VAS License Indemnification Obligation" refers to any Indemnifiable Loss as a result of, based upon or arising from the failure of Mongoose, in the event such license is required by any Governmental Authority of the PRC, to either (i) obtain or maintain in effect a VAS License or (ii) to effect or maintain alternative arrangements acceptable in the reasonable judgment of Purchaser and which are not explicitly prohibited by the Laws of the PRC or which have not been deemed to be illegal by any Governmental Authority of the PRC.

9.2 Third Party Claims. If any claim, demand or Liability is asserted by any third party against any Indemnified Party, the Indemnifying Party shall upon the written request of the Indemnified Party, at the sole cost and expense of the Indemnifying Party, defend any actions or proceedings brought against the Indemnified Party in respect of matters embraced by the indemnity under this Article IX. If the Indemnified Party desires to participate in, but not control, any such defense or settlement, it may do so at its sole cost and expense. If in the opinion of the Indemnified Party, any such claim or the litigation or resolution of any such claim

involves an issue or matter that could be material and adverse to the Indemnified Party, the Indemnified Party shall have the right to control the defense or settlement of any such claim or demand and its reasonable costs and expenses shall be included as part of the indemnification obligation of the Indemnifying Party. If the Indemnified Party should elect to exercise such right, the Indemnifying Party shall have the right to participate in, but not control, the defense or settlement of such claim at its sole cost and expense. If, after a request to defend any action or proceeding, the Indemnifying Party neglects to defend the Indemnified Party, a recovery against the Indemnified Party suffered by it in good faith shall be conclusive in its favor against the Indemnifying Party, provided, however, that, if the Indemnifying Party has not received reasonable notice of the action or proceeding against the Indemnified Party, judgment against the Indemnified Party shall only constitute presumptive evidence against the Indemnifying Party.

9.3 Limitations on Liability. An indemnifying party shall not have any liability under Section 9.1 hereof (except with respect to any breach of Sections 3.2 or 7.7 of this Agreement, with respect to the fraud or willful breach of any Seller or with respect to any Excluded Liabilities):

(a) unless a written claim for indemnification (other than those set forth in Sections 5.1, 5.2 and 5.3 of this Agreement, which shall not terminate) is delivered to the Indemnifying Party on or prior to December 31, 2010; provided, that with respect to any claim with respect to a VAS License Indemnification Obligation, such date shall be December 31, 2013;

(b) unless and until the total amount of Indemnifiable Losses to the Indemnified Party finally determined to arise thereunder based upon, attributable to or resulting from the breach of representations, warranties, covenants or agreements under any Transaction Document exceeds, in the aggregate one hundred thousand United States dollars (\$100,000) (the "Deductible"), and then only to the extent such Indemnifiable Losses exceed the Deductible; and

(c) for any Indemnifiable Losses (other than VAS License Indemnification Obligations) for which the Indemnifying Party has liability in excess of two million United States dollars (\$2,000,000) (the "Cap") once the total amount of Losses to the Indemnified Party finally determined to arise thereunder based upon, attributable to or resulting from the breach of representations, warranties, covenants or agreements under any Transaction Document exceeds the Cap;

(d) for any VAS License Indemnification Obligation for which the Indemnifying Parties (taken together) have aggregate liability in excess of the Total Net Investment Amount once the total amount of such VAS License Indemnification Obligation to the Indemnified Parties (taken together) finally determined to arise under this Agreement exceeds the Total Net Investment Amount; provided that in no event shall the total indemnification obligations of all Indemnifying Parties for obligations subject to this Section 9.3(iv) and Section 9.3(iii) exceed the Total Net Investment Amount.

9.4 Payment of Indemnification Amounts. In the event that any Indemnifying Party is liable under this Article IX to any Indemnified Party (and subject to Section 9.3 above), the

payment of such liability may be made at Purchaser's election (i) directly against Sellers, or (ii) by (A) deduction of such number of Earnout Shares from the number as may otherwise become distributable to the Seller Representative pursuant to Section 7.1 hereof as shall have a value at the time such distribution is required under Section 7.1 equal to the amount of such liability or (B) deduction of such liability from the Earnout Amount, as applicable. For the purposes of this Section 9.5, the value of each Earnout Share shall be equal to the share price of Purchaser's shares as calculated for variable "D" in Section 7.1(b) above with respect to the Earnout Fiscal Quarter such Earnout Shares are distributable in respect of.

9.5 Sole and Exclusive Remedy. Except with respect to any claim for specific performance or injunctive relief under applicable law, and except with respect to the fraudulent or willful conduct of the Sellers, this Article IX shall be the sole and exclusive remedy of each Indemnified Party (including without limitation Purchaser) with respect to any breach of representations, warranties, covenants or agreements of the Sellers under any Transaction Document (except covenants and agreements which, by their terms, contemplate performance after the Closing Date, which shall survive in accordance with their terms).

## ARTICLE X

### MISCELLANEOUS

10.1 Expenses. Except as otherwise provided in this Agreement, Purchaser shall bear its expenses and Sellers shall bear their expenses, incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the transactions contemplated hereby and thereby.

10.2 Dispute Resolution. Any dispute arising out of or in connection with this Agreement shall be resolved by the parties through consultation. If, within thirty (30) days of occurrence of such dispute, the parties fail to reach an agreement, the dispute shall be submitted to arbitration upon the request of either party with notice to the other.

(a) The arbitration shall be conducted in Hong Kong under the UNCITRAL Arbitration Rules in effect at the time of the initiation of the arbitration. The arbitration shall be administered by the Hong Kong International Arbitration Centre (the "HKIAC") in accordance with the HKIAC Procedures for the Administration of International Arbitration in effect at the time of the initiation of the arbitration. There shall be three arbitrators. Each party in the dispute shall select one arbitrator within thirty (30) days after giving or receiving the demand for arbitration. Such arbitrators shall be freely selected, and the Parties shall not be limited in their selection to any prescribed list. The Secretary General of the Centre shall select the third arbitrator, who shall be qualified to practice law in Hong Kong. If either party does not appoint an arbitrator within thirty (30) days after selection of the first arbitrator, the relevant appointment shall be made by the Secretary General of the Centre.

(b) The arbitration proceedings shall be conducted in English. To the extent the UNCITRAL Arbitration Rules of HKIAC Procedures for the Administration of International Arbitration are in conflict with the provisions of this Section 10.2, including the provisions concerning the appointment of arbitrators, the provisions of this Section 10.2 shall prevail.

(c) The arbitration tribunal shall decide any dispute submitted by the parties to the arbitration strictly in accordance with the substantive Laws of the State of New York and shall not apply any other substantive Law.

(d) The award of the arbitration tribunal shall be final and binding upon the parties, and either Party may apply to a court of competent jurisdiction for enforcement of such award.

10.3 Entire Agreement; Amendments and Waivers. This Agreement (including the schedules and exhibits hereto) represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action or nonaction taken pursuant to this Agreement, including without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action or nonaction of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

10.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and performed in such state.

10.5 Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given (i) when delivered personally by hand (with written confirmation of receipt), (ii) when sent by facsimile (with written confirmation of transmission) or (iii) one (1) Business Day following the day sent by overnight courier (with written confirmation of receipt), in each case at the following addresses and facsimile numbers (or to such other address or facsimile number as a party may have specified by notice given to the other party pursuant to this provision):

If to Seller or Mongoose, to:

TempCFO Inc.  
901 Campisi Way, Suite 205  
Campbell, CA 95008  
Facsimile: (408) 377-9520  
Attention: David Johnson

and

Mongoose Network Security Technology (Shanghai) Co. Ltd.  
680 Guiping Road, Bldg 32, Room 501  
Shanghai, 200235  
People's Republic of China  
Facsimile: 86 21 64854288  
Attention: CEO

With a copy to:

O'Melveny & Myers LLP  
Plaza 66, 37<sup>th</sup> Floor  
1266 Nanjing Road West  
Shanghai 200040  
People's Republic of China  
Facsimile: (86-21) 2307-7300  
Attention: Todd G. Bissett

If to Purchaser, to:

Integralis AG  
Robert-Bürkle-Strasse 3  
85737 Ismaning  
Facsimile: (49 89) 9 45 73 199  
Attention: Mr. Roger Friederich

With a copy to:

Alston & Bird LLP  
1201 West Peachtree Street  
Atlanta, GA 30309  
Facsimile: (404) 881-7777  
Attention: W. Hunter Holliday

and to:

CMS Hasche Sigle  
Briennier Str. II/V  
D-80333 Munchen  
Facsimile: (49 89) 2 38 07-288  
Attention: Dr. Martin Kuhn

10.6 Severability. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal



substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

10.7 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any Person not a party to this Agreement. No assignment of this Agreement or of any rights or obligations hereunder may be made by Sellers or Purchaser, directly or indirectly (by operation of law or otherwise), without the prior written consent of the other party hereto and any attempted assignment without the required consents shall be void. No assignment of any obligations hereunder shall relieve the parties hereto of any such obligations; provided, however, that Purchaser may assign its rights and interests without Sellers' consent (i) to any of its Affiliates or (ii) for collateral security purposes to any lender providing any financing to Purchaser or any of its Affiliates; provided, further, however, in each case of clauses (i) and (ii), any such assignment shall not relieve Purchaser of its obligations hereunder.

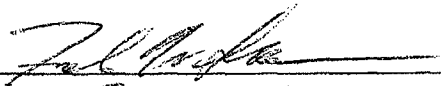
10.8 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

*[Remainder Of Page Intentionally Left Blank]*

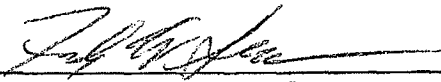
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

**SELLERS:**

CHINA MANAGED SERVICES, INC., an exempted company incorporated and existing under the Laws of the Cayman Islands

By:   
Name: Frank W. Sheeran  
Title: CEO

CHINA MANAGED SERVICES, INC., a corporation incorporated and existing under the Laws of the State of California

By:   
Name: Frank W. Sheeran  
Title: CEO

**PURCHASER:**

INTEGRALIS AG, a company organized and existing under the Laws of Germany registered with the commercial register of the local court of Munchen, Germany under registration no. HRB

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:  
Title:

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

**SELLERS:**

CHINA MANAGED SERVICES, INC., an exempted company incorporated and existing under the Laws of the Cayman Islands

By: \_\_\_\_\_  
Name:  
Title:

CHINA MANAGED SERVICES, INC., a corporation incorporated and existing under the Laws of the State of California

By: \_\_\_\_\_  
Name:  
Title:

**PURCHASER:**

INTEGRALIS AG, a company organized and existing under the Laws of Germany registered with the commercial register of the local court of Munchen, Germany under registration no. HRB 121349

By: R. Friedrich  
Name: R. FRIEDRICH  
Title: ZFO

**SCHEDULE 8.1(e)**

- Seller Board Resolutions authorizing necessary transactions.
- Seller Shareholder Resolutions authorizing necessary transactions.
- Purchaser Board Resolutions authorizing necessary transactions.
- Purchaser Shareholder Resolutions authorizing necessary transactions.

**EXHIBIT A**  
**BILL OF SALE**

---

**EXHIBIT B**  
**GENERAL ASSIGNMENT**

**EXHIBIT C**  
**IP ASSIGNMENT**

**EXHIBIT D(I)**

**MEMORANDUM OF ASSOCIATION OF CMS CAYMAN**

---



**EXHIBIT D(II)**

**ARTICLES OF ASSOCIATION OF MONGOOSE**

**EXHIBIT E**  
**UNDERTAKING**

**EXHIBIT F**  
**DISCLOSURE SCHEDULE**

**EXHIBIT G**  
**MONGOOSE PURCHASE AGREEMENT**

**EXHIBIT H**  
**RESTRICTIVE COVENANT AGREEMENT**

**EXHIBIT I-1**  
**SELLER RELEASE**

**EXHIBIT I-2**  
**SHAREHOLDER RELEASE**

## BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

This Bill of Sale and Assignment and Assumption Agreement ("Agreement") dated and effective as of July 15, 2007, is made by and among each of the persons and entities listed on Exhibit A (each an "Assignor", collectively the "Assignors") and China Managed Services, Inc., a Cayman Islands corporation (the "Assignee").

**WHEREAS**, ServGate Technologies, Inc. ("ServGate"), a Delaware corporation, borrowed certain funds from Sand Hill Finance, LLC ("SHF") and BSGL, LLC ("BSGL"), in several installments from October 29, 2004 through December 23, 2005, pursuant to a series of loan agreements and promissory notes (hereinafter referred to as "SHF Loans" and "BSGL Loans" respectively);

**WHEREAS**, in connection with the SHF Loans and BSGL Loans, ServGate pledged all of its assets ("Assets") as collateral to secure its loan obligations;

**WHEREAS**, ServGate defaulted on its obligations under the SHF Loans and BSGL Loans, and SHF foreclosed on the Assets through a private foreclosure sale under California Uniform Commercial Code Section 9610 on March 21, 2006;

**WHEREAS**, pursuant to a Foreclosure Sale Agreement dated April 4, 2006, a true and correct copy of which is attached hereto as Exhibit B, SHF sold all of the Assets to Cirond Corporation ("Cirond"), a Nevada corporation;

**WHEREAS**, in connection with the Foreclosure Sale Agreement, SHF extended a new bridge loan to Cirond as evidenced by the Loan and Security Agreement between SHF and Cirond, the Promissory Note, and Intellectual Property Security Agreement dated April 4, 2006 ("Bridge Loan"). Copies of the Bridge Loan documents are attached hereto as Exhibit C, Exhibit D, and Exhibit E;

**WHEREAS**, pursuant to a Participation Agreement entered into by and between SHF and the Assignors on June 12, 2006, a copy of which is attached hereto as Exhibit F, the Assignors funded, and accordingly acquired undivided interests in, the Bridge Loan and the security interests securing the Assets;

**WHEREAS**, on August 31, 2006, pursuant to an amendment to its Articles of Incorporation, Cirond changed its name to Amarium Technologies, Inc. ("Amarium");

**WHEREAS**, Amarium defaulted on its obligations under the Bridge Loan and SHF, acting for itself and as agent on behalf of the Assignors under the Participation Agreement, foreclosed on the Assets and acquired the ownership of all of the Assets through a credit bid in a public auction on December 4, 2006. A copy of the report on the public auction sale of the Assets is attached hereto as Exhibit G;

**WHEREAS**, on December 14, 2006, in consideration of Assignors' interests under the Participation Agreement, pursuant to an Assignment and Assumption Agreement attached hereto as Exhibit H ("Prior Assumption Agreement"), SHF assigned and transferred all of its rights in the Assets to the Assignors;



**WHEREAS**, following the transfer of the Assets under the Prior Assignment Agreement, the Assignors are now the owners of the Assets, including, but not limited to those assets listed in **Exhibit I**;

**WHEREAS**, the Assignors now desire to assign and Assignee desires to assume all of the Assets;

**WHEREAS**, the Assignee desires to issue certain Preference Shares (the "Shares") to the Assignors in exchange for the assignment of the Assets. The schedule detailing the issuance of the Shares to each of the Assignors is attached hereto as **Exhibit J**; and

NOW THEREFORE, in consideration of the mutual promises hereinafter contained and other good and valuable consideration, Assignors and Assignee hereby agree as follows:

### **Article I**

**1.01 Assignment and Assumption of Assets.** Assignee hereby assumes, and Assignors hereby assign to Assignee, all of the Assets pursuant to this Agreement.

**1.02 Transfer of Assets.** Each Assignor hereby assigns, transfers, conveys and delivers to Assignee the following:

- (a) all of Assignor's right, title and interest in and to the Assets;
- (b) all contractual rights, all rights of Assignor pertaining to any causes of action, lawsuits, judgments, claims, demands, counterclaims, set-offs or defenses Assignor may have with respect to the Assets and other general intangibles arising out of the operation and use of the Assets;
- (c) all intellectual property rights including, but not limited to, trade secrets, know-how, computer software, licenses and goodwill related to the Assets; and
- (d) all books and records relating to the Assets.

**1.03 Acceptance and Assumption.** Assignee hereby:

- (a) receives and accepts all of the Assets assigned, transferred, conveyed and delivered to Assignee by the Assignors pursuant to this Agreement;
- (b) assumes and will faithfully honor and fully and timely pay, perform and discharge all of the Assignors' obligations, duties, and liabilities of the Assignors to the extent attributable to the Assets transferred to Assignee by Assignor pursuant to this Agreement.

### **Article II**

**2.01 Consideration.** In consideration for the assignment of the Assets, Assignee shall issue to each Assignor certain Shares in the amounts specified on **Exhibit J** hereto, pursuant to

the terms and conditions of the Series A Preference Share Agreement substantially in the form attached hereto as **Exhibit K**. The parties will also enter into an Investor Rights Agreement substantially in the form attached hereto as **Exhibit L**, and a Right of First Refusal and Co-Sale Agreement substantially in the form attached hereto as **Exhibit M**.

**2.02 Closing.** The closing of the transactions contemplated under this Agreement, including delivery of the Assets and the Shares, shall occur at the offices of the Assignee immediately following the execution of this Agreement, or at such other time and place as the parties may mutually agree.

**2.03 Certain Representations and Warranties.** Assignors represent and warrant that they are the legal and beneficial owners of the Assets, and that they hold valid and marketable title to the Assets free and clear of all liens, pledges, encumbrances, equities and adverse claims whatsoever. Each Assignor represents and warrants that it has the full right, power and authority to sell, assign, transfer and deliver the Assets and to perform its obligations hereunder. Each Assignor further represents that it is not aware of any circumstances or events which could have any adverse effect on the validity, performance or enforceability of this Agreement against it. Each Assignor and Assignee represents that this Agreement has been duly authorized, executed and delivered by such party and that this Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms.

**2.04 Certain Covenants.** Each Assignor acknowledges and agrees that it has not, directly or indirectly, made and will not make, assert or maintain, or support any claims, demand, action, cause of action, suit or proceeding with respect to the Assets or against the Company, its employees, officers, directors, agents or representatives.

### Article III

**3.01 Further Assurances.** The Assignors shall execute and deliver, from time to time upon the Assignee's request and without further consideration, cost or expense to the Assignee, such other instruments of conveyance and shall transfer and take such other action as the Assignee may reasonably request to effectuate the foregoing transaction.

**3.02 Power of Attorney.** The Assignors hereby constitute and appoint the Assignee, its successors and assigns as its true and lawful attorney-in-fact, with full power of substitution, in its name and stead, but on behalf of and for the benefit of the Assignee, its successors and assigns, to (i) endorse checks or other instruments tendered in payment of the current trade receivables which are a part of the Assets transferred hereby, (ii) demand and receive any and all of the Assets transferred hereby, (iii) give receipts and releases for and in connection therewith, and any part thereof, (iv) from time to time institute and prosecute in its name or otherwise, any and all proceedings which the Assignors may deem proper for the connection or reduction to possession of any of the Assets transferred hereby, or for the collection and enforcement of any claim or any right conveyed, assigned or transferred as a part of such Assets, and (v) do all acts and things in relation to any of the foregoing powers which the Assignee shall deem desirable, the Assignors hereby declaring that the foregoing powers are coupled with an interest and are and shall be irrevocable by the Assignors in any manner or for any reason whatsoever.

**3.03 Entire Agreement.** This Agreement and Exhibits hereto constitute the entire agreement between the parties hereto pertaining to the subject matter contained herein. This Agreement nor any terms hereof may be amended, supplemented or modified, nor may the obligations of the parties hereto be waived, except pursuant to a writing signed by Assignors and Assignee.

**3.04 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regards to conflicts of law.

**3.05 Successors and Assigns.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

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

**3.07 Notices.** Unless otherwise provided herein, any notice required or permitted under this Agreement shall be deemed effective upon the earliest of (a) actual receipt, or (b) (i) one (1) business day after delivery by confirmed facsimile transmission, (ii) one (1) business day after the business day of deposit with an internationally recognized overnight courier service for next day delivery, freight prepaid, or (iii) three (3) business days after deposit with the United States Post Office for delivery by registered or certified mail, postage prepaid. Any such notice shall be addressed to the party to be notified at the address indicated for such party indicated on the signature pages or exhibits hereto, or at such other address as such party may designate by ten (10) days' advance written notice to the other parties.

**3.08 Attorneys' Fees; Specific Performance.** Assignors shall reimburse Assignee for all costs incurred by Assignee in enforcing the performance of, or protecting its rights under, any part of this Agreement, including reasonable costs of investigation and attorneys' fees.

**3.09 Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers whose signature appears below as of the date first written above.

Assignor:

Assignee:

SAND HILL MANAGEMENT PARTNERS,  
LLC

CHINA MANAGED SERVICES, INC.

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

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

Name:

Name:

Title:

Title:

Address:

Address:

Assignor:

KEN MARINEAU

.....  
Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

Assignor:

HUNT LIVING TRUST

By: .....

Name:

Title:

Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

Assignor:

AIRPATROL RESEARCH CORPORATION

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

Name:

Title:

Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

- 8 -

003829

**TRADEMARK**  
**REEL: 003829 FRAME: 0922**

Assignor:

WILLIAM DEL BIAGGIO III

---

Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

- 9 -

302870.01/3

**TRADEMARK**  
**REEL: 003829 FRAME: 0923**



Assignor:

LOU RYAN

.....  
Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

Assignor:

BART VAN HADEL

---

Address:

Assignor:

I-BANKERS SECURITIES

By: .....

Name:

Title:

Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

EXHIBIT A  
ASSIGNORS

Sand Hill Management Partners, LLC

Ken Marineau

Hunt Living Trust

AirPatrol Research Corporation

William Del Biaggio III

Lou Ryan

Bart van Hadel

I-Bankers Securities

**EXHIBIT B**  
**FORECLOSURE SALE AGREEMENT**

EXHIBIT C  
LOAN AND SECURITY AGREEMENT

EXHIBIT D  
PROMISSORY NOTE

EXHIBIT E

INTELLECTUAL PROPERTY SECURITY AGREEMENT



EXHIBIT F  
PARTICIPATION AGREEMENT

EXHIBIT G

REPORT ON SALES AGENT'S LIQUIDATION OF ASSETS

EXHIBIT H  
ASSIGNMENT AND PURCHASE AGREEMENT

## EXHIBIT I

### ASSETS

All assets previously owned by Amarium Technologies, Inc. including, but not limited to, all customer and supplier lists, , inventory, equipment, tools, supplies, furniture, fixtures, leasehold improvements and other tangible property, books and records, rights in and to transferable permits, licenses, approvals and authorizations by or of governmental authorities or third parties, causes of action, claims, warranties, rights of recovery and set-offs of every kind and character, trade secrets, know-how, intellectual property rights, computer software (in particular the Edge Force operating system), goodwill, other intangibles and all of the Assignors' rights under contracts, agreements and other documents.

EXHIBIT J

SCHEDULE OF THE ISSUE OF THE SHARES

Assignors	Shares	Par Value
Sand Hill Management Partners, LLC	909,090	\$0.001
Ken Marineau	163,960	\$0.001
Hunt Living Trust	163,960	\$0.001
AirPatrol Research Corporation	262,336	\$0.001
William Del Biaggio III	3,058,192	\$0.001
Lou Ryan	131,168	\$0.001
Bart van Hadel	163,960	\$0.001
I-Bankers Securities	262,336	\$0.001

TRADEMARK

REEL: 003829 FRAME: 0936

EXHIBIT K

SERIES A PREFERENCE SHARE AGREEMENT

EXHIBIT L  
INVESTOR RIGHTS AGREEMENT

EXHIBIT M

RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers whose signature appears below as of the date first written above.

Assignor:

Assignee:

SAND HILL MANAGEMENT PARTNERS,  
LLC

CHINA MANAGED SERVICES, INC.

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address:

Address:

300 SANDS HILL  
B1, S240  
MENLO PARK, CA  
94025

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers whose signature appears below as of the date first written above.

Assignor:

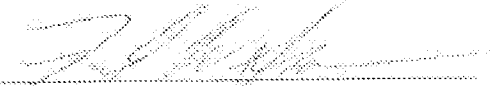
SAND HILL MANAGEMENT PARTNERS,  
LLC

By: \_\_\_\_\_  
Name:  
Title:

Address:

Assignee:

CHINA MANAGED SERVICES, INC.

By:   
Name: Frank Chirba  
Title: CEO

Address: 9300 Prince William  
Austin, TX  
78792

Assignor:

KEN MARINEAU

*Ken Marineau*

Address: *20 Camp Bello Ct  
Crest Park, CA 94025*

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

- 6 -

502927X07-8

Assignor:

HUNT LIVING TRUST

By: 

Name: P. Michael Hunt

Title: Trustee

Address: Po Box 1597  
Mailing - Los Gatos, CA 95031

Home: 21111 Old Well Rd.  
Los Gatos, CA 95033

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

Assignor:

AIRPATROL RESEARCH CORPORATION

By: Buddy R. [Signature]  
Name:  
Title:

Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

Assignor:

WILLIAM DEL BIAGGIO III

Address:

3000 Sand Hill Rd.  
Bldg 1-240  
Menlo Park, CA 94025

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

Assignor:

LOU RYAN

*Lou Ryan*  
-----

Address:

*7080 Wooded Lake Dr.  
San Jose CA 95120*

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement.

Assignor:

BAART VAN HOFDEL

for and on behalf of  
BeeBird beheer B.V.

Address:

STRAWINSKYLAAN 3107

1077 ZX AMSTERDAM.

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

- 11 -

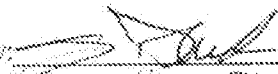
20250704

TRADEMARK  
REEL: 003829 FRAME: 0947



Assignor:

I-BANKERS SECURITIES

By:   
Name: Shelley Gluck  
Title: President

Address:

Counterpart Signature Page to Bill of Sale and Assignment and Purchase Agreement

**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

**THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT** is entered into as of April 3, 2006 by and between Sand Hill Finance, LLC ("**Lender**") and Cirond Corporation, a Nevada corporation ("**Borrower**").

**RECITALS**

Lender and Borrower are parties to that certain Loan and Security Agreement of even date (as amended from time to time, the "**Loan Agreement**"). Capitalized terms used herein have the meaning assigned in the Loan Agreement. Borrower has granted to Lender a security interest in the Collateral.

**NOW, THEREFORE**, Borrower agrees as follows:

**AGREEMENT**

To secure performance of Borrower's obligations under the Loan Agreement, Borrower grants to Lender a security interest in all of Borrower's right, title and interest in Borrower's intellectual property as listed on Exhibits A, B and C hereto), including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits). Each right, power and remedy of Lender provided for herein shall not preclude the simultaneous or later exercise by Lender of any or all other rights, powers or remedies.

Upon repayment of the indebtedness under the Loan Agreement, the security interest granted herein shall automatically terminate with respect to all such intellectual property. Upon any such termination, Lender will execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence such termination.

**IN WITNESS WHEREOF**, the parties have caused this Intellectual Property Security Agreement to be duly executed as of the first date written above.

Address of Borrower:

**CIRON D CORPORATION**

4185 Still Creek Drive, Suite B101  
Burnaby, BC V5C 6G9, Canada

By: 

Title: C. E. O.

Attn:

Address of Lender:

**SAND HILL FINANCE, LLC**

20573 Stevens Creek Blvd.  
Cupertino, CA 95014

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

Title: \_\_\_\_\_

Attn: Ron Ernst

**EXHIBIT A**

**COPYRIGHTS**

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
--------------------	--------------------------------	--------------------------

**EXHIBIT B**

**PATENTS**

<b>Description</b>	<b>Application / Patent Number</b>	<b>Application / Issue Date</b>
System method and computer software products for network firewall fast policy look-up	6,857,018	02/15/05
Method, system and computer program products for adaptive web-site access blocking	10/609,193	06/27/03
Method, system and computer program products for ...	09/937,785	01/31/01

0.1

**EXHIBIT C**  
**TRADEMARKS**

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Edgeforce	2,814,232	02/10/04
Pointforce	2,841,683	05/11/04



DEAN HELLER  
Secretary of State  
204 North Carson Street, Suite 1  
Carson City, Nevada 89701-4299  
(775) 684 5708  
Website: secretaryofstate.biz

Entity #  
C9662-2000  
Document Number:  
20060528987-47

Date Filed:  
8/18/2006 8:45:43 AM  
In the office of

*Dean Heller*

Dean Heller  
Secretary of State

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Amendment**  
(PURSUANT TO NRS 78.385 and 78.390)

**Certificate of Amendment to Articles of Incorporation  
For Nevada Profit Corporations**

(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

Cirond Corporation

2. The articles have been amended as follows (provide article numbers, if available):

I. NAME: The name of the corporation is Amarium Technologies, Inc.

IV. AUTHORIZATION OF CAPITAL STOCK: The total number of shares of capital stock the Corporation is authorized to issue is Five Hundred Twenty-Five Million (525,000,000), which is divided into two classes: (1) Five Hundred Million (500,000,000) shares of Common Stock, par value \$0.001 per share; and (2) Twenty-Five Million (25,000,000) shares of Preferred Stock, par value \$0.001 per share. The class of preferred stock may be divided into such series as may be established by the Board of Directors, as provided in sections 78.195, 78.1955 and 78.196 of the Nevada Revised Statutes. The Board of Directors shall have the authority, by resolution, (1) to divide the Preferred Stock into more than one class of stock or more than one series of any class; (2) to establish and fix the distinguishing designation of each such series and the number of shares thereof, which number, by like action of the Board of Directors, from time to time thereafter, may be increased, except when otherwise provided by the Board of Directors in creating such series, or may be decreased, but not below the number of shares thereof then outstanding; and (3) within the limitations of applicable law of the State of Nevada or as otherwise set forth in this Article, to fix and determine the relative voting powers, designations, preferences, limitations, restrictions and relative rights of the various classes of stock or series thereof.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation have voted in favor of the amendment is: [Approved by 50.6% vote of shareholders]

4. Effective date of filing (optional):

8/31/06

(Must not be later than 90 days after the certificate is filed)

5. Officer Signature (required):

*Francis L. White*

\*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless of limitations or restrictions on the voting power thereof.

**IMPORTANT:** Failure to include any of the above information and submit the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Nevada Secretary of State AM 78.385 Amend 2003  
Revised 06/05/2005