

08-25-2008

DEPARTMENT OF COMMERCE
Patent and Trademark Office

RECORD
TRA



103521271

To the Director of the U. S. Patent and Trademark

Transmitted documents or the new address(es) below.

1. Name of conveying party(ies):

Litigation Solutions, Inc.

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation- State: Pennsylvania
☐ Other _____

Citizenship (see guidelines) _____

Additional names of conveying parties attached? ☐ Yes ☐ No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) August 27, 2007

- ☒ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Other _____

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? ☐ Yes ☒ No

Name: Litigation Solutions, LLC

Internal

Address: _____

Street Address: 101 Towne Square Way, Suite 251

City: Pittsburgh

State: PA

Country: USA

Zip: 15222

☐ Association Citizenship _____

☐ General Partnership Citizenship _____

☐ Limited Partnership Citizenship _____

☐ Corporation Citizenship _____

☒ Other LLC Citizenship Delaware

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☐ No
(Designations must be a separate document from assignment)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

3,034,418

Additional sheet(s) attached? ☒ Yes ☐ No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

Litigation Solutions, Inc. design

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

Name: Mary E. Landergan

Internal Address: _____

Street Address: 176 Federal Street, 6th Floor

City: Boston

State: MA

Zip: 02110

Phone Number: 617-556-3833

Fax Number: 617-556-3889

Email Address: mlandergan@richmaylaw.com

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 40.00

- ☐ Authorized to be charged by credit card
☐ Authorized to be charged to deposit account
☒ Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____

Expiration Date

08/22/2008 08/22/2008 00000055 3634418

b. Deposit Account Number

01 FC:8521

Authorized User Name _____

40.00 00

9. Signature:

Mary E. Landergan
Signature

August 12, 2008

Date

Mary E. Landergan

Name of Person Signing

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

69

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

TRADEMARK
REEL: 003843 FRAME: 0139

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "*Agreement*"), is entered into as of this 27th day of August, 2007 (the "*Effective Date*"), by and among Litigation Solutions, Inc., a Pennsylvania corporation (the "*Seller*") and Litigation Solutions, LLC, a Delaware limited liability company ("*Buyer*").

BACKGROUND

A. Seller operates a business that provides records procurement, fraud investigation and surveillance services headquartered in Pittsburgh, Pennsylvania (such business being herein referred to as "*Seller's Business*").

B. Seller is desirous of selling to Buyer, and Buyer is desirous of purchasing from Seller, substantially all of Seller's assets used in, and that relate to the ongoing operations of, Seller's Business, along with assuming certain identified liabilities of Seller's Business, upon the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual agreements, covenants, representations and warranties hereafter set forth, and intending to be legally bound, the parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

1.1. **Definitions.** For purposes of this Agreement, the terms defined in this Article 1 shall have the meanings herein specified.

"Accounting Arbitrator" shall have the meaning assigned to it in Section 3.4(d) of this Agreement.

"Affiliate" of any Person shall mean any Person, directly or indirectly, controlling, controlled by or under common control with such Person.

"Agreement" shall have the meaning assigned to it in the Preamble of this Agreement.

"Agreed Claims" shall have the meaning assigned to it in **Section 11.5(c)** of this Agreement.

"Assignment and Assumption Agreement" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Assumed Liabilities" shall have the meaning assigned to it in **Section 2.4** of this Agreement.

"Base Purchase Price" shall have the meaning assigned to it in **Section 3.1** of this Agreement.

"Benefit Plan" shall mean any plan, program, arrangement, fund, policy, practice or contract, other than any 401(k) plan, which, through which or under which either Seller or a Seller's ERISA Affiliate (as hereinafter defined) provides benefits or compensation to or on behalf of Employees or former employees of Seller, whether formal or informal, whether or not written, including, but not limited to, the following: (i) any bonus, incentive compensation, deferred compensation, commission, severance pay, golden parachute or other compensation plan; (ii) any "employee benefit plan" (as defined in Section 3(3) of ERISA), including, but not limited to, any multiemployer plan (as defined in Section 3(37) and Section 401(a)(3) of ERISA), Simple IRA plan, defined benefit plan, profit sharing plan, money purchase pension plan, savings or thrift plan, stock bonus plan, employee stock ownership plan, or any other plan or program providing deferred compensation, or any plan, fund, program, arrangement or practice providing for severance pay, medical (including post retirement medical), hospitalization, accident, sickness, disability, supplemental, or life insurance benefits; and (iii) any vacation, scholarship, day care, prepaid legal services, dependent care or other fringe benefit plans, programs, arrangements, contracts or practices.

"Bill of Sale" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Books and Records" shall mean all books and records of Seller used in Seller's Business or relating to Seller's Business or the Transferred Assets, including, without limitation, certain computerized storage media, but not including the Retained Books and Records.

"Business Day" shall have the meaning assigned to it in **Section 3.7** of this Agreement.

"Buyer" shall have the meaning assigned to it in the Preamble of this Agreement.

"Buyer's Amount" shall have the meaning assigned to it in **Section 3.4(d)** of this Agreement.

"Buyer's Group" shall mean Buyer, its officers and managers.

"Buyer Indemnified Losses" shall have the meaning assigned to it in **Section 11.2** of this Agreement.

"Closing" shall have the meaning assigned to it in **Section 3.7** of this Agreement.

"Closing Date" shall have the meaning assigned to it in **Section 3.7** of this Agreement.

"Closing Statement" shall have the meaning assigned to it in **Section 3.1** of this Agreement.

"Closing Working Capital" shall have the meaning assigned to it in **Section 3.4(b)** of this Agreement.

"COBRA" shall have the meaning assigned to it in **Section 6.7** of this Agreement.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Consents" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Damages" shall mean all demands, claims, actions or causes of action, assessments, judgments, fines, losses, damages, liabilities, costs and expenses, including, without limitation, interest, penalties, punitive and exemplary damages, costs of investigation, clean-up and remediation and reasonable attorneys' fees and reasonable expenses.

"Determination Date" shall have the meaning assigned to it in **Section 3.4(d)** of this Agreement.

"Disclosure Schedule" means the Disclosure Schedule attached hereto, and forming a part of this Agreement.

"Disputed Claims" shall have the meaning assigned to it in **Section 11.5(b)** of this Agreement.

"Effective Date" shall have the meaning assigned to it in the Preamble of this Agreement.

"Employees" shall have the meaning assigned to it in **Section 4.13(a)** of this Agreement.

"Employment Agreements" shall mean the employment agreements by and between (a) Carolyn Langenohl and Buyer, and (b) Steven Mazefsky and Buyer.

"Encumbrances" shall mean any encumbrances, liens, security interests, pledges, claims, title defects or objections, mortgages, restrictive covenants, use restrictions, charges or other encumbrances of any nature whatsoever relating to Seller's Business including, without limitation, chattel mortgages, conditional sales contracts, collateral security arrangements, and other title or interest retention arrangements, encroachments, boundary disputes, covenants, restrictions, easements, rights of way, mortgages, security interests, leases, encumbrances and title objections.

"Environmental Laws" shall mean any one or more of the following statutes, any amendments thereto and any regulations promulgated thereunder, and any other applicable Laws concerning pollution, protection of the environment or the use, storage, discharge or disposal of hazardous materials including, but not limited to, the: Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("**CERCLA**"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("**SARA**"), 42 U.S.C. §9601 et seq.; Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 ("**RCRA**") 42 U.S.C. §6901 et seq.; Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.; Toxic Substances Control Act, 15 U.S.C. §2601 et seq.; Clean Air Act, 42 U.S.C. §7501 et seq. The term "Environmental Laws" shall include, without limitation, any common law of nuisance or trespass, any law or regulation relating to the emissions, discharges, releases or threatened releases of hazardous materials into the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata).

"Environmental Liabilities" shall mean any and all Damages, whether incurred prior to or after the Closing, to the extent they arise out of any of the following events or conditions occurring on or prior to the Closing Date: (a) environmental conditions, including, without limitation, the presence of Hazardous Substances at, on, or in the Leased Facilities, but only to the extent that such presence was caused by the acts of Seller, or violations by Seller of any Environmental Law; or (b) the Release by Seller of Hazardous Substances (i) at any of the Leased Facilities, or (ii) arising from the off-site transportation, storage, treatment, recycling or disposal of Hazardous Substances generated at any of the Leased Facilities (A) by Seller, or (B) in violation of any Environmental Law, or (C) from the use, possession, handling, generation, or

recycling by Seller of Hazardous Substances.

"Equipment" shall have the meaning assigned to it in **Section 2.2(b)** of this Agreement.

"Equity Consideration" shall have the meaning assigned to it in **Section 3.2** of this Agreement.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" of any entity means any other entity which, together with such entity, would be treated as a single employer under Section 414 of the Code.

"Escrow Agent" shall have the meaning assigned to it in **Section 3.3(a)** of this Agreement.

"Escrow Agreement" shall have the meaning assigned to it in **Section 3.3(a)** of this Agreement.

"Final Closing Working Capital Decrease" shall have the meaning assigned to it in **Section 3.4(f)** of this Agreement.

"Final Closing Working Capital Increase" shall have the meaning assigned to it in **Section 3.4(f)** of this Agreement.

"GAAP" shall mean, except as provided in the next sentence, the generally accepted accounting principals applied to corporations domiciled in the United States on a consistent basis with past practices. For the purposes of this Agreement, the parties acknowledge and agree that Seller utilizes the accrual-basis accounting method with the exception of accounting for depreciation, which is recorded on the Seller's financial books, records and accounts on a tax-basis. Whenever "GAAP" is used in this Agreement, such definition shall be deemed to include the foregoing exception to generally accepted accounting principles.

"Governmental Authority" shall mean any federal, state, local or foreign governmental or regulatory entity, commission, board, bureau, instrumentality or body (or any department, agency, authority or political subdivision thereof).

"Hazardous Substance" shall mean (a) any substances included within the definitions of

"hazardous substances," "hazardous materials," "toxic substances," "pollutant," "contaminant" or solid waste in any Environmental Law; (b) petroleum, including crude oil or any fraction thereof; (c) polychlorinated biphenyls (PCB's); (d) asbestos and asbestos-containing materials (whether friable or non friable); and (e) urea formaldehyde and related substances.

"Hired Employees" shall have the meaning assigned to it in **Section 3.11(a)** of this Agreement.

"Indemnification Cap" shall have the meaning assigned to it in **Section 11.4(a)**.

"Indemnification Escrow Amount" shall have the meaning assigned to it in **Section 3.3(a)** of this Agreement.

"Indemnification Escrow Amount Release Date" shall have the meaning assigned to it in **Section 3.3(a)** of this Agreement.

"Indemnified Losses" shall mean Buyer Indemnified Losses or Seller Indemnified Losses, as the context implies.

"Indemnatee" shall have the meaning assigned to it in **Section 11.5(a)** of this Agreement.

"Indemnatee's Certificate" shall have the meaning assigned to it in **Section 11.5(a)** of this Agreement.

"Indemnitor" shall have the meaning assigned to it in **Section 11.5(a)** of this Agreement.

"Instruments of Assignment" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Intangible Assets" shall mean the following items owned or licensed by Seller and used in connection with Seller's Business, except for items included in the Retained Assets and listed on Schedule 2.3 hereto: (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice) and all improvements thereto; (b) all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof; (c) all trademarks, service marks, trademark licenses, trade dress, logos, and trade names (including, but not limited to, any rights that Seller may now or in the future have in the names "Litigation Solutions, Inc.," "LSI" and in any variations thereof), together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in

connection therewith; (d) all copyrightable works and all copyrights, and all applications, registrations, and renewals in connection therewith; (e) all computer software and licenses, data bases and computer systems, and all source code, data and documentation related to each of them; (f) all trade secrets and confidential business information (including, without limitation, ideas relating to the operation of the Seller's Business, products under development, products contemplated for development, research and development, know-how, formulas, compositions, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals); (g) all copies and tangible embodiments thereof (in whatever form or medium, including, without limitation, all copies stored on computers) and (h) other intangible assets used by Seller in connection with Seller's Business (together with all licenses, authorizations, pending applications, continuations in part and extensions for any of the above).

"Interim Balance Sheet" shall mean the interim balance sheet of Seller's Business described in **Section 4.5(b)** of this Agreement.

"Interim Balance Sheet Date" shall mean July 28, 2007.

"Interim Working Capital" shall have the meaning assigned to it in **Section 3.4(a)** of this Agreement.

"Laws" shall mean all laws (statutory and otherwise), rules, regulations, orders, ordinances, articles, judgments, decrees, orders, writs and injunctions of any Governmental Authority (federal, state, local, foreign or otherwise).

"Leased Facilities" shall mean the following facilities leased by the Seller in the conduct of Seller's Business: 101 Town Square Way, Suite 251, Brentwood Town Center, Pittsburgh, PA 15227.

"Material Adverse Effect" shall mean, with respect to any change, circumstance, event or effect with respect to the Seller's Business that, individually or in the aggregate (taking into account all other such changes, circumstances, events or effects) is, or could reasonably be expected to have a material adverse effect on the Seller's Business, the Transferred Assets, financial condition, or results of operations of the Seller's Business taken as a whole, other than any such effect or change, directly or indirectly, (a) resulting from or arising in connection with (i) general political, economic, financial, capital market or industry-wide conditions which do not have a disproportionate impact on the Seller's Business or the Transferred Assets taken as a whole, (ii) regulatory changes, (iii) this Agreement, the transactions contemplated hereby, (iv) any breach by Buyer of this Agreement, or (v) any failure by the Seller's Business to meet any of the projections or forecasts prepared by the Seller's Group; or (b) attributable to the fact that the prospective owner of the Seller's Business, the Transferred Assets and the Assumed Liabilities is

Buyer or any affiliate of the Buyer.

"Material Consents" shall have the meaning assigned to it in **Section 8.1(g)** of this Agreement.

"MCMC" shall mean Buyer's parent company, MCMC LLC.

"Net Working Capital" shall mean the difference of the values of (i) the current assets included in the Transferred Assets, comprised of accounts receivable (net of appropriate reserves for uncollectability, the amount of such reserves to be mutually agreed upon by the parties), prepaid expenses and other current assets and (ii) the current liabilities included in the Assumed Liabilities, comprised of accounts payable, employee accrued time-off and other current liabilities.

"Net Working Capital Escrow Amount" shall have the meaning assigned to it in **Section 3.3(b)** of this Agreement.

"NLRB" shall have the meaning assigned to it in **Section 4.13(c)** of this Agreement.

"Other Instruments" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Permits" shall mean all licenses and permits issued to Seller by any Governmental Authority that are required to operate the Seller's Business (each, individually, a "Permit").

"Permitted Encumbrances" shall mean only those Permitted Encumbrances listed on **Exhibit A**, which is attached hereto and incorporated by reference herein, and that are (a) Encumbrances for Taxes that are not yet due, that can be paid without penalty, or are being contested in good faith and by appropriate proceedings, (b) Encumbrances imposed by Law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business, (c) Encumbrances arising out of pledges or deposits under workers' compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation, (d) Encumbrances securing the performance of bids, tenders, contracts (other than for the repayment of borrowed money), statutory obligations and surety bonds, (e) Encumbrances in the nature of zoning restrictions, easements and rights or restrictions of record on the use of real property which do not materially detract from its value or impair its use, (f) Encumbrances arising by contract or by operation of law in favor of the owner or sublessor of leased premises and confined to the property rented, (g) Encumbrances arising from any litigation or proceeding which is being contested in good faith by appropriate proceedings, provided, however, that no execution or levy has been made, (h) Encumbrances that

may result from the parties to the Agreement not obtaining consents from third parties for assignment of the Specified Contracts from Seller to Buyer, and (i) Encumbrances securing lease or other obligations to third parties with respect to Equipment located at the Leased Facilities.

"Person" shall mean an individual, a corporation, a partnership, an association, a Governmental Authority, a trust or other entity or organization.

"Receivables" shall have the meaning assigned to it in **Section 2.2(a)** of this Agreement.

"Release" shall have the meaning assigned to it in **Section 4.20** of this Agreement.

"Retained Assets" shall have the meaning assigned to it in **Section 2.3** of this Agreement.

"Retained Books and Records" shall mean the corporate seal, minute books, bylaws, memoranda of association, articles of incorporation, stock transfer records, federal and state income Tax returns of Seller, and such other books and records as pertain to the organization, existence or share capitalization of Seller.

"Retained Liabilities" shall have the meaning assigned to it in **Section 2.5** of this Agreement.

"Seller ERISA Affiliate" shall mean each trade or business (whether or not incorporated) which together with Sellers is treated as a single employer under Section 414(b), (c), (m) or (o) of the Code.

"Seller" shall have the meaning assigned to it in the Preamble of this Agreement.

"Seller's Amount" shall have the meaning assigned to it in **Section 3.4(d)** of this Agreement.

"Seller's Business" shall have the meaning assigned to it in the Background section of this Agreement.

"Seller's Financial Statements" shall have the meaning assigned to it in **Section 4.5(a)** of this Agreement.

"Seller's Group" shall mean Seller, Steven Mazefsky and Carolyn Langenohl.

"Seller's Indemnified Losses" shall have the meaning assigned to it in **Section 11.3** of this Agreement.

"Seller's Knowledge" and/or "Knowledge of Seller" shall mean the actual knowledge of a particular fact or other matter, after reasonable inquiry, of Carolyn Langenhol and Steven Mazefsky, in their capacities as officers of the Seller; it being acknowledged that the standard of "reasonable inquiry" required to be conducted by Carolyn Langenhol and Steven Mazefsky shall be consistent with that which a reasonably prudent person would expect from officers of a company of Seller's size.

"Seller's Business" shall have the meaning assigned to it in the Background of this Agreement.

"Specified Contracts" shall mean the contracts, agreements and commitments of Seller that Buyer shall assume as of the Closing Date and which are listed on Schedule 2.2(e) hereto.

"Taxes" shall mean all federal, state, local, or foreign taxes, excises, withholdings, assessments or levies against Seller on or measured by actual or deemed income, revenue, gross receipts, payroll, the value or cost of real or personal property, tangible or intangible, including, but not limited to, income, social security, welfare, sales, use, occupancy, business, occupation, real estate, capital stock and franchise taxes (including interest and penalties thereon and including estimated taxes).

"Threshold Amount" shall have the meaning assigned to it in **Section 11.4(b)** of this Agreement.

"Transaction Documents" shall have the meaning assigned to it in **Section 4.2** of this Agreement.

"Transferred Assets" shall have the meaning assigned to it in **Section 2.2** of this Agreement.

"Treasury Regulations" shall mean the regulations promulgated under the Code.

ARTICLE 2 PURCHASE AND SALE OF ASSETS

2.1. Assets to be Sold. At the Closing, subject to the terms and conditions of this Agreement and in reliance upon the mutual representations and warranties of Seller and Buyer

contained herein, Seller shall sell, assign, convey and transfer to Buyer, and Buyer shall purchase and acquire from Seller, the Transferred Assets free and clear of all Encumbrances, except Permitted Encumbrances. Seller shall retain any Retained Assets.

2.2. Transferred Assets. The term "*Transferred Assets*" shall mean substantially all assets, properties, rights and interests owned by Seller and used in Seller's Business as of the Closing Date, except for the Retained Assets. The Transferred Assets shall include the assets appearing on the Interim Balance Sheet, and the assets, properties, rights and interests used in the Seller's Business as of the Closing Date described below:

(a) all accounts receivable, including, without limitation, all trade accounts receivable and any accounts receivable from employees (collectively, the "*Receivables*");

(b) all fixtures, furniture, inventory, leasehold improvements (if owned by Seller), supplies and equipment, including, without limitation, all computer software and licenses that Seller has commercially purchased or licensed from third party vendors (to the extent transferable or assignable to Buyer), machinery, computer equipment and office equipment, and all property subject to capital leases (collectively, the "*Equipment*");

(c) all prepaid expenses, including, without limitation, payments made under the Specified Contracts in respect of services to be performed after the Closing, any security deposits, utility deposits and similar monies held by third parties;

(d) all Intangible Assets;

(e) all rights and interests in, to, and under all contracts and agreements including, without limitation, the Benefit Plans, the leases to the Leased Facilities, licenses (including, without limitation, to the extent transferable or assignable, any licenses relating to the Intangible Assets not owned by Seller and licenses to do business with any Governmental Authority) written contracts, agreements, arrangements and commitments to which Seller is a party including, without limitation, those written contracts, agreements and commitments set forth on Schedule 2.2(e) hereto (collectively, the "*Specified Contracts*");

(f) to the extent transferable or assignable, the Permits set forth on Schedule 2.2(f) hereto;

(g) all websites, domain names and telephone numbers used in Seller's Business, including, without limitation, all items set forth on Schedule 2.2(g) hereto;

(h) all insurance policies and rights thereunder and insurance benefits,

including rights and proceeds arising from or relating to the Transferred Assets or the Assumed Liabilities prior to the Closing Date;

(i) all claims and causes of action of Seller relating to or arising out of Seller's Business or the Transferred Assets;

(j) all Books and Records; and

(k) all trademarks, service marks, trade names, copyrights and patents, and applications for any of the foregoing (collectively, the "*Intellectual Property*"), relating to the Seller's Business.

2.3. Retained Assets. The term "*Retained Assets*" shall mean the assets of Seller described below:

(a) all cash, cash equivalents and marketable securities;

(b) prepaid insurance premiums, to the extent not included in the calculation of Net Working Capital;

(c) any personal effects;

(d) the Retained Books and Records;

(e) all claims for refund of Taxes and other Governmental Authority charges of whatever nature for taxable periods prior to the Closing Date;

(f) all rights in connection with and assets of the Seller's 401(k) Benefit Plan;

(g) all rights of Seller under the Transaction Documents; and

(h) the assets listed on Schedule 2.3 hereto.

2.4. Assumed Liabilities. Upon the terms and subject to the conditions of this

Agreement, Buyer shall assume, effective as of the Closing, and from and after the Closing Date, Buyer shall pay, perform and discharge when due, the following liabilities and obligations of Seller ("***Assumed Liabilities***"):

(a) all trade accounts payable of Seller related to Seller's Business and not related to any Retained Assets, which are reflected on the Interim Balance Sheet or which have arisen since the Interim Balance Sheet Date in the ordinary course of business and are reflected in the calculation of the Closing Working Capital;

(b) all accrued expenses of Seller related to Seller's Business (other than any expenses that are included in the Retained Liabilities or are related to any Retained Assets), which are reflected on the Interim Balance Sheet or which have arisen since the Interim Balance Sheet Date in the ordinary course of business and are reflected in the calculation of the Closing Working Capital;

(c) all liabilities of Seller to any Hired Employees for accrued vacation, sick leave and other paid time-off which are reflected on the Interim Balance Sheet or which have arisen since the Interim Balance Sheet Date in the ordinary course of business and are reflected in the calculation of the Closing Working Capital;

(d) that portion of Seller's liability and obligations with respect to the salaries and compensation of any Hired Employee of Seller for the pay period ending September 8, 2007 to the extent such liability and obligations arise in the ordinary course of business;

(e) all obligations of Seller under capital leases applicable to the Equipment, whether booked as a current liability or a long-term liability;

(f) all obligations of Seller under the Specified Contracts (in no event to include any obligations or liabilities which (i) relate to any breach or violation of any representation, warranty, agreement, or covenant contained in such Specified Contracts which arose on or prior to the Closing Date or (ii) relate to any obligations or liabilities under the Specified Contracts which, pursuant to the terms of the Specified Contracts were performed (in whole or in part) or required to be performed (in whole or in part) on or prior to the Closing Date);

(g) all obligations to Seller's customers incurred by Seller in the ordinary course of business for orders outstanding as of the Closing Date;

(h) all liabilities and obligations relating to any outstanding and nondelinquent payments and obligations to Steve Junker (a former shareholder of Seller) arising from Seller's

redemption of his Shares;

(i) all liabilities and obligations relating to the Benefit Plans for the period of time from and after the Closing Date; and

(j) obligations of Seller under or pursuant to the oral contracts into which Seller has entered and which are listed on Schedule 2.4(j) but only to the extent that such obligations are set forth on such schedule.

2.5. Retained Liabilities. Notwithstanding any other provision of this Agreement, Buyer shall not assume any liabilities or obligations of Seller, except for the Assumed Liabilities as expressly provided for herein, whether such liabilities or obligations relate to payment, performance or otherwise, and all liabilities not expressly transferred to Buyer hereunder are being retained by Seller (the "***Retained Liabilities***"). Without limitation to the foregoing, all of the following shall be considered Retained Liabilities for the purposes of this Agreement:

(a) any liability or obligation of Seller to the extent arising out of the operation or conduct by Seller of any business other than Seller's Business;

(b) any liability of Seller for Taxes for any period ending on or before Closing, including, without limitation, (i) any of such Taxes that will accrue after such date as a result of operations of Seller in respect of Seller's Business for periods ending on or before the Closing Date or that will arise as a result of the consummation of this Agreement, and (ii) any liability for deferred Taxes of any nature, if any;

(c) any liability or obligation to any past or current employee of Seller for or related to any period ending on or before Closing, including, without limitation, any liability or obligation related to any claim by any past or current employee in connection with Seller's violation or alleged violation of any discrimination law and/or any labor law, any liability or obligation related to or under any Benefit Plan or with respect to salaries and compensation (except as expressly provided in **Section 2.4(d)** of this Agreement), severance and, except as expressly provided in **Section 2.4(c)** of this Agreement, accrued vacation, sick pay or other paid time-off;

(d) except as set forth in **Section 2.4(h)**, any liability of Seller or Seller's Business to any third party Person for borrowed money;

(e) any liability or obligation of Seller to any shareholder, officer or Affiliate of Seller, including, without limitation, any such liability evidenced by a note payable by Seller or by Seller's Business or respecting dividends, distributions in liquidation, redemptions of

shares, or otherwise;

(f) any Environmental Liabilities, whether known or unknown, caused by Seller;

(g) except as expressly provided in **Section 3.6** and **Section 12.1** of this Agreement, any obligations of Seller for expenses, Taxes or fees incident to or arising out of the negotiation, preparation, approval or authorization of this Agreement, the other Transaction Documents or the consummation of the transactions contemplated hereby, including, without limitation, all attorneys and accountants fees or commissions incurred and payable by Seller;

(h) any obligations or liabilities of Seller to indemnify its officers or directors for any breach of their fiduciary obligations to Seller;

(i) any other liability of Seller including, without limitation, any liability arising out of or relating to the operation of Seller's Business on or prior to the Closing Date except for the Assumed Liabilities, as specifically set forth herein;

(j) any liability of Seller that relates to, or that arises out of, any Retained Asset; and

(k) any obligation of Seller under or pursuant to any and all oral contracts into which Seller has entered and which are not listed on Schedule 2.4(j).

ARTICLE 3

BASE PURCHASE PRICE, EQUITY CONSIDERATION, ESCROW AND CLOSING

3.1. Total Purchase Price; Base Purchase Price. The total purchase price to be paid by Buyer to Seller for the Transferred Assets shall be the aggregate sum of the following amounts: (a) the Base Purchase Price as adjusted pursuant to **Section 3.4(f)**; (b) the Equity Consideration; (c) that portion amount of the Indemnification Escrow Amount that is finally released to Seller pursuant to **Section 3.3** and **Article 11**; and (d) that portion of Net Working Capital Escrow Amount that is finally released to Seller pursuant to **Section 3.4**. On the Closing Date, Buyer shall fund a lump sum cash payment of Four Million Five Hundred Thousand Dollars (\$4,500,000) (the "**Base Purchase Price**") for the Transferred Assets. The Base Purchase Price shall be payable and deliverable at the Closing and shall be paid to Seller by Buyer by wire transfer of immediately available funds pursuant to the wiring instructions that are set forth on Schedule 3.1 and to which the parties shall mutually agree in accordance with a closing statement (the "**Closing Statement**") which: (i) Seller shall prepare and deliver to Buyer prior to the Closing Date; (ii) shall be mutually acceptable to Buyer and Seller in form and

substance; and (iii) shall delineate the payment disbursements and the allocation and payment cost and expense items consistent with the terms of this Agreement. The parties shall attach the Closing Statement to Schedule 3.1.

3.2. Equity Consideration. On the Closing, Buyer shall cause MCMC Holdings, LLC (Buyer's parent company) to issue to Seller Series C Preferred Units of Buyer that are equal in value, on the Closing Date, to an amount no less than Five Hundred Thousand Dollars (\$500,000) (the "**Equity Consideration**"), and Seller shall allocate equally, and distribute forthwith, the Equity Consideration to Steven Mazefsky and Carolyn Langenohl.

3.3. Escrow.

(a) On Closing, Buyer shall fund a lump sum cash payment of Four Hundred Thousand Dollars (\$400,000) (the "**Indemnification Escrow Amount**") into an escrow account maintained by Mellon Bank, N.A., an independent third party financial institution (the "**Escrow Agent**"). Any charges for fees and costs charged by the Escrow Agent shall be paid by Buyer. The Indemnification Escrow Amount shall be deposited in an interest bearing money market account mutually approved by Seller and Buyer. The interest earned on such account shall accrue for the benefit of Seller. As further described in **Article 11**, the Indemnification Escrow Amount shall serve as the exclusive source of monies available to pay any Agreed Claims to be paid by Seller to Buyer. Pursuant to the terms of an agreement by and among the Escrow Agent, Buyer and Seller (the "**Escrow Agreement**"), which is attached hereto as **Exhibit B** and incorporated by reference herein, the Escrow Agent shall release the Indemnification Escrow Amount to Seller on the date three hundred sixty five (365) days after Closing (the "**Indemnification Escrow Amount Release Date**"), provided that no Disputed Claim brought by Buyer is pending in good faith. In the event that a Disputed Claim brought by Buyer is pending as of the Indemnification Escrow Amount Release Date, an amount equal to the reasonably estimated value of the Disputed Claim shall remain in escrow and the parties shall jointly instruct the Escrow Agent to release to Seller the then-current balance of the Indemnification Escrow Amount on the Indemnification Escrow Amount Release Date. Upon the resolution of the Disputed Claim, in accordance with **Section 11.5**, the parties shall jointly and immediately instruct the Escrow Agent to pay the remaining withheld amounts in escrow in such a manner so as to properly comply with the ultimate resolution of the Disputed Claim.

(b) Upon Closing, Buyer shall fund a lump sum cash payment of One Hundred Thousand Dollars (\$100,000) (the "**Net Working Capital Escrow Amount**") into an escrow account maintained by the Escrow Agent. Any charges for fees and costs charged by the Escrow Agent shall be paid by Buyer. The Net Working Capital Escrow Amount shall be deposited in an interest bearing money market account approved by Seller and Buyer. The interest earned on such account shall accrue for the benefit of Seller. The Net Working Capital Escrow Amount shall be released to Seller in accordance with the provisions of **Section 3.4(f)** herein.

3.4. Working Capital Adjustment.

(a) Estimated Closing Working Capital; Methodology. On the Effective Date, Seller, in consultation with Buyer, shall prepare and deliver to Buyer a calculation of the Net Working Capital based on the Interim Balance Sheet (the "*Interim Working Capital*"). The Interim Working Capital shall identify the methodology and assumptions to be utilized to prepare, calculate and determine the Closing Working Capital. The Interim Working Capital shall be attached as Schedule 3.4(a).

(b) Closing Working Capital. As promptly as practicable after the Closing, but no later than sixty (60) days after the Closing Date, Seller, in consultation with Buyer, shall prepare and deliver to Buyer a statement of the calculation of the Net Working Capital as of the close of business on the Closing Date (the "*Closing Working Capital*"), which statement shall be prepared in accordance with GAAP and consistent with the methodology and assumptions used to prepare and calculate the Interim Working Capital as outlined on Schedule 3.4(a). The Closing Working Capital shall be accompanied by all backup information supporting the calculation as necessary for Seller to evaluate and/or respond to the statement.

(c) Notice of Disagreement. If Buyer disagrees with Seller's calculation of the Closing Working Capital delivered pursuant to **Section 3.4(b)** of this Agreement, then Buyer may, within thirty (30) days after delivery of Seller's calculation of the Closing Working Capital, deliver a notice to Seller stating Buyer's disagreement with such calculation and setting forth Buyer's calculation of the Closing Working Capital. Any such notice of disagreement shall specify those items or amounts as to which Buyer disagrees. If Buyer does not deliver a notice of disagreement in accordance with this **Section 3.4(c)**, then the amount of the Closing Working Capital set forth in the statement delivered by Seller pursuant to **Section 3.4(b)** of this Agreement shall thereupon be final and binding upon Buyer and Seller, and shall not be subject to further judicial or other review.

(d) Resolution of Disagreement. If a notice of disagreement is duly delivered pursuant to **Section 3.4(c)** of this Agreement, Buyer and Seller shall, during the fifteen (15) days following such delivery, use their reasonable efforts to reach agreement on the disputed items or amounts in order to determine the amount of the Closing Working Capital. If during such period, Buyer and Seller are unable to reach such agreement, they shall promptly thereafter cause an accounting firm, to whom the parties shall agree (the "*Accounting Arbitrator*"), to review the disputed items or amounts and to calculate the Closing Working Capital. In making such calculation, the Accounting Arbitrator shall consider only those items or amounts in Buyer's calculation of the Closing Working Capital pursuant to **Section 3.4(c)** of this Agreement as to which Seller has disagreed. The Accounting Arbitrator may require and/or consider witness or expert testimony or briefings of any nature. The Accounting Arbitrator shall deliver to Buyer and Seller, as promptly as practicable (but in any case no later than thirty (30) days from the date of engagement of the Accounting Arbitrator), a report setting forth such calculation. Such report shall be final and binding upon Buyer and Seller, and shall not be subject to further judicial or

other review. Seller and Buyer shall each bear their own fees and expenses, including, without limitation, those of its accountants and other representatives, in connection with the preparation and review of the Closing Working Capital. If the Closing Working Capital reported by the Accounting Arbitrator is closer in amount to Buyer's calculation of the Closing Working Capital delivered pursuant to **Section 3.4(b)** of this Agreement ("**Buyer's Amount**") than to the Closing Working Capital as reflected in Seller's objection delivered pursuant to **Section 3.4(c)** of this Agreement ("**Seller's Amount**"), then Seller shall bear all fees and expenses of the Accounting Arbitrator. If, however, the Closing Working Capital reported by the Accounting Arbitrator is closer in amount to the Seller's Amount than the Buyer's Amount, then Buyer shall bear all such fees and expenses of the Accounting Arbitrator. Such payment shall be made in accordance with the provisions of **Section 3.4(f)** of this Agreement. The date on which the Closing Working Capital becomes final and binding on the parties is the "**Determination Date**".

(e) Cooperation. Buyer and Seller shall, and shall cause their respective representatives to, cooperate and assist in the preparation of the calculation of the Closing Working Capital and in the conduct of the review referred to in **Section 3.4(d)** of this Agreement, including, without limitation, making available to each other and to the Accounting Arbitrator (if applicable) all books, records, work papers and personnel reasonably requested.

(f) Post-Closing Adjustment to Base Purchase Price; Post-Closing Payment. The Base Purchase Price shall be adjusted as follows: (i) if the Closing Working Capital, as finally determined pursuant to **Section 3.4(c)** or **Section 3.4(d)** of this Agreement, is less than Three Hundred Eighty Thousand Dollars (\$380,000), then the Base Purchase Price shall be decreased on a dollar-for-dollar basis by the amount, if any, of the difference between the Closing Working Capital and Four Hundred Thirty Thousand Dollars (\$430,000) (the "**Final Closing Working Capital Decrease**") and the parties shall jointly instruct the Escrow Agent to pay to Seller the Net Working Capital Escrow Amount less the Final Closing Working Capital Decrease within five (5) Business Days following the Determination Date, by wire transfer of immediately available funds to an account or accounts designated by Seller; provided, however, that in the event that the Final Closing Working Capital Decrease is greater than the Net Working Capital Escrow Amount (the "**Net Working Capital Escrow Shortfall**"), Buyer shall be entitled to receive an amount equal to the Net Working Capital Escrow Shortfall from the Indemnification Escrow Amount without the need for Buyer to pursue a claim for such amount; and (ii) if the Closing Working Capital, as finally determined pursuant to **Section 3.4(c)** or **Section 3.4(d)** of this Agreement, is greater than Four Hundred Eighty Thousand Dollars (\$480,000), then the Base Purchase Price shall be increased on a dollar-for-dollar basis by the amount, if any, of the difference between the Closing Working Capital and Four Hundred Thirty Thousand Dollars (\$430,000) (the "**Final Closing Working Capital Increase**") and Buyer shall pay to Seller the entire Final Closing Working Capital Increase and the parties shall jointly instruct the Escrow Agent to pay to Seller the entire amount of Net Working Capital Escrow Amount within five (5) business days following the Determination Date, by wire transfer of immediately available funds to an account or accounts designated by Seller. In the event that the Closing Working Capital, as finally determined pursuant to **Section 3.4(c)** or **Section 3.4(d)** of this Agreement, is equal to or greater than Three Hundred Eighty Thousand Dollars (\$380,000) and is equal to or less than Four Hundred Eighty Thousand Dollars (\$480,000), the Base

Purchase Price shall not be adjusted and the parties shall jointly instruct the Escrow Agent to pay to Seller the entire Net Working Capital Escrow Amount within five (5) Business Days following the Determination Date, by wire transfer of immediately available funds to an account or accounts designated by Seller.

(g) Interest on Post-Closing Payment. The amount of any cash payment to be made pursuant to **Section 3.4(f)** of this Agreement, shall bear no interest. Notwithstanding the foregoing, to the extent that the Net Working Capital Escrow Amount bears interest, it shall bear interest for the benefit of Seller.

3.5. Documents of Sale and Conveyance. The sale, conveyance, assignment, transfer and delivery of the Transferred Assets shall be effected by delivery by Seller to Buyer of (i) a bill of sale transferring title to the tangible personal property included in the Transferred Assets including, without limitation, the Equipment (the "**Bill of Sale**"), (ii) an assignment transferring all of the Transferred Assets that are intangible properties and assets including, without limitation, the Intangible Assets and the Specified Contracts, which assignment shall also contain Buyer's undertaking and assumption of the Assumed Liabilities (the "**Assignment and Assumption Agreement**"), (iii) assignments of all Intellectual Property and separate assignments of all registered trademarks, servicemarks, copyrights and patents (the "**Instruments of Assignment**"), (iv) consents which have been obtained prior to the Closing to the assignment of the Specified Contracts and Permits which is by their terms or by Law non-assignable without the consent of the other party or parties thereto (the "**Consents**"), and (v) such other good and sufficient instruments of conveyance and transfer as shall be necessary or advisable to vest in Buyer title to the Transferred Assets (the "**Other Instruments**"). The Bill of Sale, the Assignment and Assumption Agreement, the Instruments of Assignment and the Other Instruments shall be in a form reasonably acceptable to Seller and Buyer.

3.6. Sale and Transfer Taxes; Bulk Sales Taxes. Any sales, use or bulk sales Taxes, if any, arising in connection with the transfer of the Transferred Assets from Seller to Buyer shall be borne by Seller. Any transfer Taxes, if any, arising in connection with the transfer of the Transferred Assets from Seller to Buyer shall be borne equally between Buyer and Seller. Buyer shall record all Instruments of Assignment with respect to the registered trademarks, service marks, copyrights, and patents at Buyer's expense.

3.7. Closing Date. The consummation of the transactions contemplated by this Agreement (the "**Closing**") shall take place at a location mutually acceptable to Buyer and Seller on the first business day (defined as any day except for Saturdays, Sundays and holidays recognized by the United States Federal Government ("**Business Day**")) following the date on which all of the conditions contained in **Article 8** and **Article 9** of this Agreement are satisfied, but in no event later than **August 27, 2007**, unless the parties agree in writing otherwise. The Closing may be postponed to such other date as Buyer and Seller may mutually agree. The date on which the Closing actually occurs is hereinafter referred to as the "**Closing Date**." The Closing shall be effective as of 11:59 p.m. EDT on the Closing Date.

3.8. Deliveries by Seller. At the Closing, or if expressly indicated otherwise in this Section 3.8 of this Agreement, prior to the Closing, Seller shall surrender and deliver possession of all tangible assets included in the Transferred Assets to Buyer and take such steps as may be required to put Buyer in actual possession and operating control of such assets, and in addition shall deliver to Buyer (unless delivered previously), the following items, executed by Seller where appropriate:

- (a) the Bill of Sale, duly executed by Seller;
- (b) the Assignment and Assumption Agreement, duly executed by Seller;
- (c) the Instruments of Assignment, duly executed by Seller;
- (d) the Other Instruments, if any, duly executed by Seller;
- (e) the Employment Agreements, duly executed by Carolyn Langenohl and Steven Mazefsky;
- (f) the Consents;
- (g) all documents evidencing transfers of Permits, if transferable, duly endorsed by Seller, if necessary;
- (h) the Escrow Agreement executed by Seller and the Escrow Agent necessary to establish the escrow account for the Indemnification Escrow Amount and the Net Working Capital Escrow Amount;
- (i) Amendment No. 1 to Limited Liability Company Agreement of MCMC Holdings, LLC, related joinders and other required documentation duly executed by Carolyn Langenohl and Steven Mazefsky necessary to issue to them the Equity Consideration;
- (j) the officers' certificates referred to in Sections 8.1(a), (b) and (c) of this Agreement;
- (k) the opinion of Seller's counsel referred to in Section 8.1(e) of this Agreement;

(l) all Books and Records of Seller other than the Retained Books and Records; and

(m) all other previously undelivered documents, instruments and writings required to be delivered by Seller to Buyer at the Closing pursuant to this Agreement or reasonably requested by Buyer as shall be necessary or appropriate to transfer and assign to, and vest in, Buyer all of Seller's right, title and interest in and to the Transferred Assets free and clear of all Encumbrances (except Permitted Encumbrances) or otherwise to effect the transactions contemplated hereby.

3.9. Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller and the Escrow Agent, as applicable, (unless delivered previously) the following:

(a) the wire transfers to Seller and the Escrow Agent as required pursuant to **Article 3** of this Agreement;

(b) the Assignment and Assumption Agreement, duly executed by the Buyer;

(c) the officers' certificates referred to in **Sections 9.1(a), (b) and (c)** of this Agreement;

(d) the Employment Agreements duly executed by the Buyer;

(e) the Escrow Agreements executed by Buyer and the Escrow Agent necessary to establish the escrow for the Indemnification Escrow Amount and the Net Working Capital Escrow Amount;

(f) Amendment No. 1 to Limited Liability Company Agreement of MCMC Holdings, LLC, related joinders and other required documentation duly executed by Buyer necessary to issue to Carolyn Langenohl and Steven Mazefsky the Equity Consideration; and

(g) all other previously undelivered documents, instruments and writings required to be delivered by Buyer to Seller at or prior to the Closing pursuant to this Agreement or the other Transaction Documents or reasonably requested by Seller to effect the transactions contemplated hereby.

3.10. Allocation of Purchase Price. The Purchase Price and the Assumed Liabilities shall be allocated among the Transferred Assets as set forth on **Schedule 3.10** hereto, which Seller shall prepare. Such allocation, as adjusted to reflect any adjustment to the Base Purchase

Price following the Closing pursuant to **Section 3.4(f)** of this Agreement, shall be conclusive and binding on both Buyer and Seller for purposes of their federal and, where applicable, foreign, state and local income Tax returns, and the parties hereto agree not to take positions on any Tax return inconsistent with such allocation. Buyer and Seller shall prepare and timely file all such reports and returns as may be required by Section 1060 of the Code to report such allocation.

3.11. Employee Matters.

(a) Offer of Employment to Active Employees. Unless otherwise mutually agreed to by Buyer and Seller, on or prior to the Closing Date, Buyer shall offer employment to all Employees of Seller's Business. The Employees that accept offers of employment from Buyer shall be referred to herein as the "**Hired Employees**". Except as otherwise required by Law, any such offers to each Employee shall be at such salary and benefit levels that are at least reasonably equivalent to the salary and benefit levels that such Employees were receiving from Seller. Seller shall cooperate with Buyer with respect to Buyer's offers of employment to the Employees. Seller will use commercially reasonable efforts (other than cash payments) to cause the Employees to accept Buyer's offers of employment and to become Hired Employees. On the Closing Date, Seller will terminate all Employees and will provide timely notice as required by COBRA to such employees. On the Closing Date, Buyer shall employ the Hired Employees. It is understood that Buyer is obligated to offer employment contracts (in form and substance mutually agreed to by Buyer and Seller) to certain executive officers, members of management and other employees of Seller identified on Schedule 3.11(a); provided, however, that Buyer shall have no liability for any such executive officer, member of management or other employee of Seller who refuses the offered employment contract (assuming the form and substance of the employment contract is mutually agreed to by Buyer and Seller).

(b) Benefit Plans; Severance Obligations. Buyer shall assume the obligations for Seller's duties and liabilities under any Benefit Plan on and after the Closing Date including, but not limited to, the funding and administration thereof and Seller will continue the participation of all Hired Employees in any Benefit Plan as of the Closing Date. Buyer agrees that the Hired Employees will receive past service credit for eligibility, vesting and benefit accrual under the Benefit Plans for years of service with Seller as if such service had been with Buyer or its Affiliates to the extent permitted under the applicable plan. Without limiting the generality of the foregoing, Buyer shall not be liable to any current or former employee of Seller, including, without limitation, any Hired Employee, for any severance liability of Seller to such employee (whether arising as a result of termination of employment related to the consummation of the transactions contemplated by this Agreement or otherwise).

3.12. Consent of Third Parties. Nothing in this Agreement shall be construed as an attempt or an agreement to assign or assume any Specified Contract or Permit included in the Transferred Assets which is by its terms or by Law non-assignable without the consent of the other party or parties thereto, unless such consent shall have been given, or as to which all the remedies of the enforcement thereof enjoyed by Seller would, as a matter of Law, pass to Buyer

as an incident of the assignments provided for by this Agreement. In order, however, to provide Buyer the full realization and value of every Specified Contract and Permit of the character described in the immediately preceding sentence, Seller agrees that on and after the Closing, it will, at the request of Buyer, take all reasonable actions and do or cause to be done all such things as shall be reasonably required (a) to assure that the rights of Seller under such Specified Contracts and Permits shall be preserved for the benefit of Buyer; and (b) to facilitate receipt of the consideration to be received by Seller in and under every such Specified Contract and Permit, which consideration shall be held for the benefit of, and shall be delivered to, Buyer. Nothing in this **Section 3.12** shall in any way diminish Seller's obligations hereunder to obtain all reasonably procurable consents and approvals and to take all such other reasonable actions prior to or at Closing as are reasonably necessary to enable Seller to convey and assign the Transferred Assets to Buyer.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES BY SELLER

Seller represents and warrants that the statements contained in this **Article 4** are materially true, correct, and complete as of the Effective Date and will be materially true, correct, and complete as of and including the Closing Date except for representations and warranties made as of a specific date, and except as set forth on the Disclosure Schedule. The statements and disclaimers in the Disclosure Schedule, and those in any supplement thereto shall, to the extent reasonably apparent from the context, qualify all other sections in this Agreement. Except for the representations and warranties set forth in this **Article 4**, Seller makes no representation or warranty (either express or implied) herein or with respect to the transactions contemplated hereby.

4.1. Organization and Good Standing. Seller is a corporation, duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania and has the requisite power and authority to conduct Seller's Business as now being conducted.

4.2. Authority and Enforceability. Seller has the requisite corporate power to enter into this Agreement and to carry out its obligations hereunder. The execution, delivery and performance of this Agreement and the transactions contemplated hereby have been duly authorized by Seller and its shareholders by all necessary corporate action. This Agreement and each document, instrument and agreement executed and delivered in respect of the transactions contemplated hereby (the "*Transaction Documents*") have been duly executed and delivered by Seller, as applicable, and constitute a legal, valid and binding obligation of Seller, as applicable, enforceable against it in accordance with its terms, except that such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar Laws affecting or relating to creditors' rights generally, and is subject to general principles of equity.

4.3. No Violation; Consents. Neither the execution and delivery by Seller of this Agreement nor the consummation by Seller of the transactions contemplated hereby (i) will

violate the Seller's Articles of Incorporation, or (ii) to Seller's Knowledge and assuming the receipt of all required consents to assignment relating to the Specified Contracts and Permits, will result in any breach of or default under any provision of any contract or agreement of any kind to which Seller is a party or by which Seller is bound relating to the Transferred Assets or Assumed Liabilities, or (iii) will constitute a default under any judgment, decree, order, writ, injunction, regulation or rule of any court or Governmental Authority having jurisdiction over the Seller's Business, except (with regard to items (i) – (iii) above) in those cases where such violation, breach or default is not likely to cause a Material Adverse Effect. Schedule 4.3 sets forth, to the Knowledge of Seller, a true, correct and complete list of each Specified Contract and Permits requiring a Consent as a result of the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby. Except as set forth Schedule 4.3, no consent, approval, waiver, authorization, notice or filing with any Governmental Authority is required to be made by Seller in connection with the (a) execution and delivery of this Agreement, (b) the consummation of the transactions contemplated hereby, or (c) the ownership by Buyer of the Transferred Assets.

4.4. Brokers. Seller has not employed any broker, agent or finder in connection with any transaction contemplated by this Agreement and Seller shall not have any liability to any broker, agent or finder in connection with the consummation of the transactions contemplated by this Agreement.

4.5. Financial Information.

(a) Seller has previously delivered to Buyer accrual-basis financial statements of Seller's Business prepared in accordance with GAAP for the fiscal years ending December 31, 2003, December 31, 2004, December 31, 2005, December 31, 2006 and interim financial statements for the period ended April 30, 2007 (the "*Seller's Financial Statements*").

(b) Attached hereto as Schedule 4.5(b) is the interim balance sheet of Seller's Business as of July 28, 2007 (the "*Interim Balance Sheet*"). The Interim Balance Sheet (A) was prepared in accordance with the books and records of Seller and with GAAP, (B) is true, correct and complete in all material respects, and (C) shows the book value of the assets and liabilities of Seller's Business as of such date.

(c) The Books and Records of Seller's Business and the Retained Books and Records which are related to Seller's Business are true, complete and correct in all material respects and include all transactions relating to Seller's Business for the periods relating thereto.

4.6. Title to Transferred Assets. Except as disclosed in Schedule 4.6 hereto, Seller has good and marketable title to all Transferred Assets free and clear of all Encumbrances, except Permitted Encumbrances.

4.7. **Real Property.** Seller does not own any real property. To Seller's Knowledge, Seller has complied in all material respects with all Laws with respect to Seller's lease, use, occupancy and operation of the Leased Facilities.

4.8. **Compliance with Applicable Law.** To Seller's Knowledge, Seller has complied in all material respects with all Laws applicable to Seller's Business.

4.9. **Taxes.** Seller has (i) timely filed all returns required to be filed by it with respect to Taxes, and such returns are true and correct in all material respects; (ii) paid all Taxes shown to have become due pursuant to such returns and (iii) paid all other Taxes for which a notice of assessment or demand for payment has been received. Seller has no liability for Taxes under Section 1.1502-6 of the Treasury Regulations (or any similar provision of state, local, or foreign law) as a transferee or successor, by contract or otherwise.

4.10. **Contracts and Commitments.**

(a) Schedule 2.2(e) hereto identifies all Specified Contracts, including, without limitation, written agreements identified herein as being unavailable in written form. Except for the Specified Contracts and the Seller Benefit Plans and except as set forth on Schedule 4.10, Seller is not a party to or bound by:

- Assets;
- (i) any contract to sell or lease (as lessor) any of the Transferred
 - (ii) any contract for the purchase of equipment, materials, supplies, goods, services, or other assets;
 - (iii) any contract to lease (as lessee) any real or personal property;
 - (iv) any license, franchise or similar contract;
 - (v) any contract for any distribution, dealer, sales representative, marketing or other similar arrangements;
 - (vi) any contract with customers of Seller's Business;
 - (vii) any contract with vendors to Seller's Business;

(viii) any contract for partnership, joint venture, strategic alliance, joint development or other similar arrangements;

(ix) any secrecy, confidentiality, non-disclosure, non-competition or similar contract;

(x) any employment or consulting agreement, collective bargaining or labor agreement, or similar contract; or

(xi) any other material agreement, commitment, arrangement or plan.

The Specified Contracts are in full force and effect; Seller, and to Seller's Knowledge, all other parties thereto have complied with the material provisions thereof; neither Seller, nor, to Seller's Knowledge, any other party thereto is in default under any of the terms thereof; and to Seller's Knowledge no event has occurred that with the passage of time or the giving of notice or both would constitute a default by any party under any provision thereto, except where the default would not reasonably be expected to result in a Material Adverse Effect.

(b) True and complete copies of each Specified Contract have been delivered to Buyer or have been made available to Buyer, except that in the case of (A) written agreements identified on Schedule 2.2(e) hereto as being unavailable in written form and oral agreements, the terms of which represent an annualized liability to Seller in an amount that exceeds Ten Thousand Dollars (\$10,000), a written description of the material terms of each such Specified Contract has been delivered to Buyer, and (B) standard form agreements used by Sellers in the conduct of Seller's Business in the ordinary course, a copy of each such form agreement has been delivered to Buyer together with the name and address of each other party thereto.

4.11. Intangible Assets.

(a) Schedule 4.11 hereto sets forth (i) all issued patents, registered trademarks and service marks, registered copyrights and any pending registration applications for any of the foregoing included in the Intangible Assets, and (ii) all written licenses and other agreements to which Seller is a party and pursuant to which Seller is authorized to use any of the Intangible Assets.

(b) (i) Except as indicated in Schedule 4.11(b), Seller owns or possesses adequate licenses or other valid rights to use (without the making of any payment to others or the obligation to grant rights to others in exchange) all of the Intangible Assets included in the Transferred Assets; (ii) the Intangible Assets included in the Transferred Assets constitute all intellectual property rights necessary to conduct Seller's Business as presently conducted; (iii) to

Seller's Knowledge, Seller is not in default under any contract or agreement with respect to any of such Intangible Assets (except where such default would not reasonably be expected to result in a Material Adverse Effect); (iv) the validity of such Intangible Assets and the rights of Seller therein have not been questioned by any Person in any litigation, action or proceeding to which Seller is a party or in any other written notice to Seller, nor, to Seller's Knowledge, is any such litigation, action or proceeding threatened or pending; (v) to Seller's Knowledge, the conduct of Seller's Business does not materially conflict with patent rights, licenses, trademark rights, trade name rights, copyrights or other intellectual property rights of any other Person; (vi) there are no claims pending, or to the Knowledge of Seller threatened, against Seller or Seller's Business of any infringement of any intellectual property rights of any Person; and (vii) to the Knowledge of Seller, no Person infringes any intellectual property right of Seller.

(c) Seller has no Seller's Knowledge that any use of any Intangible Assets included within the Transferred Assets has heretofore been, or is now being, made by any Person other than Seller. Seller does not have any Seller's Knowledge of any infringement of any such Intangible Assets owned or licensed by Seller. Except as listed in Schedule 4.11(c), no present or former director, officer, employee or consultant of Seller has any interest, direct or indirect, in any of the Intangible Assets. To Seller's Knowledge, any software included in the Transferred Assets, together with all know-how and processes used in connection therewith, functions as intended (except for minor "bugs") and is in machine-readable form.

(d) To the Knowledge of Seller and except as set forth on Schedule 4.11(d), (i) none of Seller's confidential information has been used, divulged or appropriated for the benefit of any Person other than Seller or otherwise to the detriment of Seller, and (ii) no employee or consultant of Seller is, or is expected to be, in default under any term of any employment contract, agreement or arrangement relating to the Intangible Assets, or any confidentiality agreement or any other contract or any restrictive covenant relating to the Intangible Assets, or the development or exploitation thereof.

4.12. Litigation. There are no suits, proceedings, investigations, indictments, inquiries, arbitrations, claims, or other such actions pending or, to the Knowledge of Seller, threatened against or affecting Seller, the Seller's Business, the Transferred Assets or the transactions contemplated hereby in any court or before any arbitration panel of any kind or before or by any Governmental Authority, except for those matters set forth on Schedule 4.12.

4.13. Employees.

(a) Schedule 4.13 hereto identifies each current employee of Seller, including employees identified therein as being on short-term salary continuance, if any, ("**Employees**"), along with their job title and classification, as applicable. Except as set forth on Schedule 4.13 hereto, there are no Persons who provide services under a consulting arrangement or other service or labor to Seller's Business for time periods aggregating more than ten (10) hours per month.

(b) To Seller's Knowledge and except as set forth on Schedule 4.13(b), Seller has at all times operated Seller's Business in compliance with, and are in compliance in all material respects with, all Laws respecting employment and employment practices, terms and conditions of employment, wages and hours, including, without limitation, those laws relating to safety, health, and non-discrimination and are not engaged in any unfair labor or unlawful employment practice. Seller has paid its current and former employees all wages, salaries, commissions, bonuses, fringe benefits and all other direct and indirect compensation by and payable to their employees and former employees to the date of this Agreement, except as described in Schedule 4.13(b).

(c) Except as set forth on Schedule 4.13(c): (i) no unlawful employment practice or discrimination charge currently exists against Seller, and to Seller's Knowledge, is pending or threatened before the Equal Employment Opportunity Commission or comparable state or local fair employment practice agency, (ii) no unfair labor practice, charge or complaint currently exists against Seller, and to Seller's Knowledge is pending or threatened before the National Labor Relations Board ("*NLRB*") or comparable state or local labor relations agency, (iii) there is no labor strike, dispute, stoppage or interference with production actually pending or, to the Knowledge of Seller, threatened, against or involving or affecting Seller, and no NLRB or comparable state or local labor relations agency representation question exists respecting the employees of Seller, and (iv) no grievance or arbitration proceeding relating to the employees of Seller is pending or, to the Knowledge of Seller, threatened.

(d) There is no collective bargaining agreement that is binding on Seller, and there is no collective bargaining agreement currently being negotiated, subject to negotiation, or renegotiation by Seller. There is no dispute, claim, or proceeding pending with, or to the Knowledge of Seller, threatened by the Immigration and Naturalization Service with respect to Seller.

4.14. Benefit Plans.

(a) With respect to any Benefit Plan, no event has occurred and, to the Knowledge of Seller, there exists no condition or set of circumstances in connection with which Buyer could be subject to any liability under the terms of any such Benefit Plan, ERISA or the Code or any other applicable Law which could result in a Material Adverse Effect.

(b) Neither Seller nor any Seller's ERISA Affiliate maintains, or has at any time established or maintained, or has at any time been obligated to make, or made, contributions to or under any multiemployer plan (as defined in ERISA Section 3(37)). Seller does not maintain, nor has it at any time established or maintained, nor has it at any time been obligated to make, or made, contributions to or under any plan which provides post-retirement medical or health benefits with respect to employees or former employees of Seller other than coverage mandated by Part 6 of Subtitle B of Title 1 of ERISA, Section 4980B of the Code or any comparable state law. There is no lien upon any property of Seller or any Seller's ERISA

Affiliate outstanding pursuant to Section 412(n) of the Code in favor of any Benefit Plan. No assets of Seller or any Seller's ERISA Affiliate have been provided as security for any Benefit Plan pursuant to Section 401(a)(29) of the Code.

(c) Neither Seller nor any Seller's ERISA Affiliate have maintained or contributed or have maintained or contributed to an "employee benefit pension plan" within the meaning of Section 3(2) of ERISA that is or was subject to Title IV of ERISA.

4.15. Permits, Licenses, Etc. Except as identified on Schedule 2.2(f), there are no permits and licenses which are required in order for Seller to carry on Seller's Business as presently conducted. Schedule 2.2(f) hereto also indicates the Permits listed thereon which are assignable or transferable to Buyer, and the Permits required to be newly issued to Buyer in its own name (because the issuer does not permit such Permit to be assigned or transferred) in order for Buyer to operate Seller's Business consistent with past practice from and after the Closing.

4.16. Books and Records. Seller maintains the financial books, records and accounts of the Seller's Business in accordance with good business practice consistent with the accrual-basis accounting method (except for the accounting of depreciation which is recorded on a tax-basis, except those kept for Tax purposes, which are kept on a cash-basis and except those related to fixed assets, which are depreciated in accordance with the modified accelerated cost recovery system for federal income Tax purposes).

4.17. Accounts Receivable. All of the Receivables set forth on the Interim Balance Sheet or acquired since the date thereof (i) are valid and genuine; (ii) have arisen only in the ordinary course of business out of performance of services or bona fide sales and deliveries of services; (iii) to Seller's Knowledge, are not subject to valid defenses, set-offs or counterclaims; and (iv) to Seller's Knowledge, are collectible in full at the recorded amounts thereof (without resort to litigation or assignment to a collection agency) within 120 days after billing, net of appropriate reserves for uncollectability determined in accordance with GAAP. To Seller's Knowledge, no facts or circumstances exist that will result in any increase in the uncollectability of any Receivable in excess of any allowance therefor set forth on the Interim Balance Sheet.

4.18. Absence of Certain Changes or Events. Since January 1, 2007, Seller has not:

(a) Except as set forth on Schedule 4.18(a), to Seller's Knowledge, suffered the occurrence of any change, event or circumstance related to the Seller's Business which has had, or could reasonably be expected to have, a Material Adverse Effect;

(b) Incurred any damage or destruction having a Material Adverse Effect by fire, storm, or similar casualty, whether or not covered by insurance;

(c) Sold, transferred, replaced or leased any of the Transferred Assets, except for transactions in the ordinary course of business;

(d) Amended or terminated any Specified Contract relating to Seller's Business or the Transferred Assets, other than in the ordinary course of business;

(e) Except as set forth on Schedule 4.18(e), closed any office or facility or made plans to close any office or facility used, in whole or in part, by Seller in the conduct of Seller's Business;

(f) To Seller's Knowledge, waived or released any material rights with respect to Seller's Business or the Transferred Assets;

(g) Transferred or granted any rights to any Intangible Assets owned by, licensed to or used, in whole or in part, in the conduct of, Seller's Business;

(h) Entered into any transaction or made any commitments (for capital expenditures or otherwise) relating to Seller's Business or the Transferred Assets other than in the ordinary course of business;

(i) Changed its methods of accounting;

(j) Increased or made any commitments to increase the compensation of employees or other service providers, except following normal review procedures or as reasonably deemed necessary in the ordinary course of business and as disclosed to Buyer prior to the Closing; or

(k) Materially altered the conduct of its relations with customers or suppliers of Seller's Business.

4.19. Absence of Undisclosed Liabilities; Solvency. To Seller's Knowledge and except as set forth on Schedule 4.19, there are no undisclosed liabilities related to Seller's Business. No voluntary or involuntary petition in bankruptcy, receivership, insolvency or reorganization with respect to Seller, or petition to appoint a receiver or trustee of Seller, has been filed by or against Seller, nor shall Seller file such a petition for one hundred (100) days thereafter, and if such petition is filed by others, the same shall be promptly discharged or Seller shall promptly discharge any liabilities owed to any party which gives rise to such filing. Seller has not made any assignment for the benefit of creditors or admitted in writing insolvency or that its property at fair valuation shall not be sufficient to pay its debts, nor shall Seller permit any judgment, execution, attachment or levy against it or its properties to remain outstanding or

unsatisfied for more than ten (10) days. To Seller's Knowledge, Seller shall not become "insolvent," as defined in the Uniform Fraudulent Transfer Act ("*UFTA*"), as a result of consummating this Agreement, nor to Seller's Knowledge, shall any of the transactions contemplated herein constitute a fraudulent transfer as to Seller's present or future creditors under the UFTA.

4.20. Environmental Matters. Except as set forth on Schedule 4.20 and to Seller's Knowledge, Seller has not (A) used, possessed, generated, treated, stored, recycled, disposed of, transported or arranged for transportation, storage, treatment or disposal of any Hazardous Substance at or to any location which is the subject of federal, state, local or foreign governmental actions or other investigations or (B) used, possessed, generated, treated, stored, recycled or released, spilled, leaked, discharged, pumped, poured, emitted, emptied, injected, leached, dumped, disposed or allowed to escape (collectively, a "*Release*") any Hazardous Substances at the Leased Facilities, in violation of any Environmental Laws. Seller has not received any request for information, notice of claim, demand or notification that it is or may be potentially responsible with respect to any investigation or clean-up of any threatened or actual Release of any Hazardous Substance.

4.21. Interest in Seller's Business or Transferred Assets. Seller has not nor has any Affiliate granted, and there is not outstanding, any option, right, agreement or other obligation pursuant to which any Person has a right to acquire all or any part of, or interest in, Seller's Business or any of the Transferred Assets.

4.22. Condition of Assets. Except for ordinary wear and tear, the Equipment is suitable for the purposes for which it is used, is usable in the ordinary course of business and conforms in all material respects to all applicable Laws relating to its use and operation.

4.23. Sufficiency of Assets. The Transferred Assets (along with the Retained Assets) constitute substantially all properties, assets and rights necessary for the conduct of, Seller's Business as presently conducted.

4.24. Warranties. Except as set forth on Schedule 4.24, Seller has made no warranties with respect to services performed by Seller.

4.25. Customers and Suppliers.

(a) Schedule 4.25(a) hereto sets forth a complete and accurate list of (a) all customers of Seller's Business that accounted for all of the revenue of Seller's Business for the twenty-four (24) month period that immediately preceded the date of the Interim Balance Sheet, and (b) pricing information applicable to, and the total revenue received from, each such

customer during such twenty-four (24) month period.

(b) Seller has used its reasonable business efforts to maintain, and to Seller's Knowledge, currently maintains, good working relationships with the customers and suppliers of Seller's Business. To Seller's Knowledge and except as set forth on Schedule 4.25(b), there is no customer or supplier that has informed Seller in writing that it intends to cease doing business with Seller's Business or to alter materially the amount of business done with Seller's Business or Buyer (post-Closing) due to the consummation of this Agreement.

4.26. Insurance. Set forth on Schedule 4.26 is a complete and accurate list of all insurance policies currently in effect which relate to the operations of the Seller's Business. Seller has insurance contracts in full force and effect which provide for coverage amounts that are identified on Schedule 4.26 and are usual and customary in its business as to amount and scope, including, without limitation, all risk, property, commercial general liability and workers' compensation insurance contracts. All premiums currently due with respect to such insurance contracts are paid and no notice of cancellation or termination has been received by Seller.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES BY BUYER

Buyer hereby represents and warrants that the statements contained in this **Article 5** are true, correct, and complete as of the Effective Date and will be true, correct, and complete as of the Closing Date except for representations and warranties made as of a specific date.

5.1. Organization and Good Standing. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware and has the requisite power and authority to conduct Seller's Business as now being conducted.

5.2. Authority. Buyer has the power to enter into this Agreement and to carry out its obligations hereunder. The execution, delivery and performance of this Agreement and the transactions contemplated hereby have been duly authorized by Buyer by all necessary action. The Transaction Documents have been duly executed and delivered by Buyer, as applicable, and constitute legal, valid and binding obligations enforceable in accordance with their terms, except that such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar Laws affecting or relating to creditors' rights generally, and is subject to general principles of equity.

5.3. No Violation. Neither the execution and delivery by Buyer of this Agreement nor the consummation by Buyer of the transactions contemplated hereby (i) will violate the Certificate of Formation or Operating Agreement of Buyer, or (ii) will result in any breach of or default under any provision of any contract or agreement of any kind to which Buyer is a party or

by which Buyer is bound, or (iii) is prohibited by or requires Buyer to obtain any consent, authorization or approval of, or make any filing with, any Governmental Authority which has not been obtained, or (iv) will violate any judgment, decree, order, writ, injunction, regulation or rule of any court or Governmental Authority having jurisdiction over Buyer, in each case in such a way as would have a material adverse effect on Buyer, its business or its ability to perform the terms of this Agreement.

5.4. Brokers. Buyer has not employed any broker, agent or finder in connection with any transaction contemplated by this Agreement.

5.5. Litigation. There is no action, suit, investigation or proceeding pending against, or the knowledge of Buyer threatened against or affecting, Buyer before any court or arbitrator or any governmental body, agency or official which in any matter challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated hereby.

5.6. Financial Ability. Buyer has the financial capability to consummate the transactions contemplated by this Agreement and Buyer understands that under the terms of this Agreement its obligations hereunder are not in any way contingent or otherwise subject to (a) Buyer's consummation of any financing arrangements or buyer's obtaining any financing; or (b) the availability of any financing to Buyer.

5.7. No Other Representations or Warranties of Seller. Buyer acknowledges that neither the Seller, nor any of its directors, officers, Affiliates, shareholders, employees consultants, agents, counsel or advisors makes or has made any representation or warranty to Buyer or its Affiliates, except for the representations and warranties of Seller expressly set forth in **Article 4**. In particular, and without limiting the generality of the foregoing, Buyer acknowledges that no representation or warranty is made with respect to any of Seller's financial projections delivered to Buyer or in any management presentation and accompanying materials.

5.8. Capitalization. Schedule 5.8 sets forth a true and correct listing of MCMC Holdings, LLC's authorized and outstanding equity interests as of the date of this Agreement and as of the Closing Date (identified both on an undiluted basis and a fully diluted basis and reflecting the fact that the Equity Consideration will be issued on the Closing Date).

ARTICLE 6 COVENANTS AND AGREEMENTS BY SELLER

6.1. Conduct of Seller's Business Prior to Closing. From the Effective Date until the Closing Date, except for actions taken pursuant to this Agreement or with the prior written consent of Buyer:

(a) Seller shall conduct Seller's Business only in the ordinary course consistent with past practices and shall use its commercially reasonable efforts to preserve intact the business, operations and assets of Seller's Business in at least their existing condition in all material respects;

(b) Seller shall inform Buyer promptly in writing of any event or circumstance that has, or could reasonably be expected to have, a Material Adverse Effect on Seller's Business or the Transferred Assets after Seller has Seller's Knowledge of such an event or circumstance; and

(c) Seller shall not, except as listed on Schedule 6.1(c), without the prior written consent of Buyer:

(i) enter into any contract or commitment, incur any liability, absolute or contingent, waive any right or enter into any other transaction (except in the ordinary course of business) having an aggregate value exceeding Fifty Thousand Dollars (\$50,000) in each case in connection with the Seller's Business;

(ii) commit to acquire subsequent to the Closing Date on behalf of Seller's Business any capital asset or group of capital assets which, if so acquired, would be included in the Transferred Assets; or sell or lease or agree to sell or lease or otherwise dispose of any of the property included in the Transferred Assets except for sales of inventory in the ordinary course of the conduct of Seller's Business, consistent with past practice;

(iii) mortgage, pledge or subject to any Encumbrance any of the Transferred Assets, except for such Encumbrances that shall be released prior to or at Closing;

(iv) increase any compensation or benefits payable to or in respect of any Employee; provided, however, that Seller shall be entitled to provide raises to its employees in connection with their yearly performance reviews conducted in the ordinary course of Seller's Business and consistent with past practices;

(v) alter the customary practices with respect to the collection of Receivables; or

(vi) take or omit to take any action which if taken or omitted would constitute a breach of any representations or warranties set forth in Article 4 of this Agreement.

6.2. Full Access and Due Diligence Investigation.

From the Effective Date through the Closing Date, Seller shall afford to Buyer and its representatives reasonable access during normal business hours (i) to the assets, properties, books, financial statements, work papers and records of Seller, (ii) to Carolyn Langenohl, Steven Mazefsky, Judy Lightner, Kevin Cerri, John Tomasic and Christie Grisetti and Seller's advisors and representatives (including, without limitation, accountants and attorneys), and (iii) upon mutually agreeable terms, to customers and suppliers of Seller's Business (so long as Steven Mazefsky or Carolyn Langenohl organize and schedule the meetings with such customers and suppliers and is in attendance when such meetings occur), in order that Buyer may have full opportunity to make investigations of the Transferred Assets and the Seller's Business and Seller shall (x) cause its accountants, attorneys, lenders, financing sources, and other representatives to cooperate with Buyer and its representatives in its investigations, and (y) furnish or cause to be furnished to Buyer and its representatives all such information about Seller's Business and the Transferred Assets as Buyer shall reasonably request.

6.3. Other Transactions. Prior to the Closing or the termination of this Agreement in accordance with Article 10 of this Agreement, Seller shall not, nor shall Seller permit any of its officers, directors, stockholders, Affiliates or other representatives to, directly or indirectly, (a) provide any information about Seller's Business, with the intent to sell or solicit an offer to purchase Seller's Business or a material interest therein or in the Transferred Assets, to any Person (other than Buyer and its representatives), (b) negotiate or discuss with any potential buyer other than Buyer the sale or possible sale of Seller's Business or any material interest therein or in the Transferred Assets, or (c) sell or agree to sell Seller's Business or any interest therein or in the Transferred Assets and not solicit or accept any offer or indication of interest concerning the possible sale of Seller's Business or any interest therein or in the Transferred Assets from any potential buyer other than Buyer.

6.4. Discharge of Liens. Seller shall cause all Encumbrances on Transferred Assets (other than Permitted Encumbrances and other Encumbrances otherwise permitted by this Agreement such as Assumed Liabilities assumed by Buyer) to be terminated or otherwise discharged at or prior to the Closing.

6.5. Taxes, Maintenance Fees and Annuities. Seller shall be responsible for and shall promptly cause to be paid when due all Taxes (including, but not limited to, any reserve for Taxes accrued on Seller's books) attributable to the net worth of Seller, or to income received by Seller, for all time periods up to and including the Closing Date. Without limitation, such Taxes include Taxes attributable to the transactions contemplated by this Agreement. Seller shall also be responsible for and shall promptly cause to be paid when due any and all maintenance fees and annuities in connection with the Intellectual Property, which are due or may be due prior to the Closing Date.

6.6. Reasonable Efforts. Seller agrees that prior to the Closing it will use all

reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement, including, without limitation, obtaining the Material Consents.

6.7. Group Health Continuation. Seller agrees that it will comply with all requirements of Sections of 601-608 of ERISA and regulations thereunder ("**COBRA**") as required by applicable Law. Seller and Buyer agree that Buyer is not intended to be and is not a successor employer to Seller for any purpose, including with respect to COBRA, and that no benefit plan sponsored or maintained by Buyer shall be a successor plan to any Employee Benefit Plan.

6.8. Customer Relationships. After the Closing, Seller shall cooperate with Buyer to transition the customer relationships of Seller's Business existing prior to the Closing to Buyer. Seller shall refer to Buyer all inquiries relating to the Seller's Business from existing or prospective customers. Seller shall not take any action that would diminish or tend to diminish the value of Seller's Business or the Transferred Assets after the Closing.

6.9. Financial Information. Within sixty (60) days of the Closing Date, Seller shall provide Buyer with an accrual basis balance sheet (dated as of the Closing Date) in conformity with GAAP in all material respects.

ARTICLE 7

COVENANTS AND AGREEMENTS BY BUYER

7.1. Maintenance of Records. Buyer and its Affiliates will keep and maintain for a period of seven (7) years from the Closing Date all Books and Records relating to Seller's Business acquired pursuant to the transactions contemplated in this Agreement. Upon request, Buyer shall make them available to Seller or its designated representatives for inspection and copying, at Seller's expense, during regular business hours in order to permit Seller to (a) prepare for, dispute or respond to any claim, lawsuit or proceeding, including, without limitation, audits in connection with Tax returns or proceedings under the Internal Revenue Code, and (b) comply with governmental requirements applicable to Seller or any of their affiliates; provided, however, that any such inspection pursuant to this **Section 7.1** shall be conducted in such a manner so as not to unreasonably interfere with the normal conduct of the business acquired by Buyer. Notwithstanding the foregoing, Seller, at its own cost, shall be able to retain one copy of the all Books and Records for archival purposes and in connection with any future tax obligations and the winding down of the Seller.

7.2. Reasonable Efforts. Buyer agrees that prior to the Closing it will use all reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the transactions

contemplated by this Agreement.

ARTICLE 8

CONDITIONS PRECEDENT TO OBLIGATION OF BUYER TO CLOSE

8.1. Conditions Precedent to the Obligation of Buyer to Close. The obligation of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the following conditions precedent:

(a) Fulfillment of Covenants. Seller shall have performed and complied with, in all material respects, all covenants, agreements, and obligations set forth in this Agreement to be so performed or complied with by it at or prior to the Closing. Seller shall deliver to Buyer a certificate dated as of the Closing Date executed by an officer of Seller so stating.

(b) Representations and Warranties. The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects on the Closing Date, except for any changes expressly permitted by the terms of this Agreement. Seller shall deliver to Buyer a certificate dated as of the Closing Date executed by an officer of the Seller so stating.

(c) Seller's Approval. Buyer shall have received (i) a certified copy of Seller's Articles of Incorporation, (ii) a copy of Seller's Bylaws, and (iii) a copy of the resolutions of the Board of Directors of Seller, authorizing the execution of this Agreement and the consummation of the transactions contemplated hereby, each certified by an officer of the Seller.

(d) No Proceeding or Litigation. There shall not be instituted or pending any suit, action, investigation, indictment, inquiry or other proceeding by or before any court or Governmental Authority requesting an order, judgment or decree which (i) restrains or prohibits the consummation of the transactions contemplated hereby, (ii) if adversely determined, would have a material adverse effect on Buyer's ability to exercise control over or manage Seller's Business after the Closing, or (c) if adversely determined, would have a Material Adverse Effect on the Transferred Assets or Seller's Business.

(e) Opinion of Seller's Counsel. Buyer shall have received an opinion of Seller's counsel, dated as of the Closing Date, in a form reasonably acceptable to Buyer and Seller's counsel.

(f) Contracts. Any expired Specified Contracts between Seller and any other Persons shall have been renewed, extended and/or expanded on terms no less favorable than such existing or expired contract.

(g) Material Consents. Those material Consents or approvals of any Governmental Authority or other third party Person identified on Schedule 8.1(g) (the "**Material Consents**"), shall have been obtained by Seller prior to or on Closing.

(h) Permits. The Permits identified on Schedule 2.2(f) (which shall include any Permit required to conduct investigation and/or surveillance business) hereto, as being required to be held by Buyer in its own name or in the name of any Affiliate of Buyer as of the Closing in order for Buyer or any Affiliate of Buyer to operate Seller's Business from and after the Closing, shall have been validly transferred from Seller to Buyer or, if any such Permit is not transferable, Seller, at a cost to be paid by Buyer, shall have obtained a replacement Permit on behalf of Buyer or an Affiliate of the Buyer on the same terms as the Permit not transferred.

(i) Good Standing Certificates. Buyer shall have received a certificate issued by the Secretary of the Commonwealth of Pennsylvania with respect to Seller dated no later than fifteen (15) days prior to the Closing Date showing Seller to be a validly existing corporation in Pennsylvania.

(j) No Material Adverse Effect or Damage. Since the date of the Interim Balance Sheet, (i) no event, occurrence, fact, condition, change, development or effect shall have occurred that, individually or in the aggregate, has constituted or resulted in, or could reasonably be expected to constitute or result in, a Material Adverse Effect; and (ii) no material damage to or destruction or loss of (whether or not covered by insurance) any of the Transferred Assets or affecting Seller's Business shall have occurred.

(k) Lien Release. Seller shall have obtained an applicable lien release, to the satisfaction of the Buyer, of all lenders that have a lien on the Transferred Assets.

(l) Employment Agreements. Buyer shall have secured and executed three (3) year employment agreements with Carolyn Langenohl and Steven Mazefsky on terms mutually acceptable to Buyer, Carolyn Langenohl and Steven Mazefsky.

(m) Lisa Mazefsky Waiver. Seller shall have obtained and delivered to Buyer a written waiver executed by Lisa Mazefsky, a shareholder of Seller, by which Lisa Mazefsky waives any and all rights that she ever had, now has, or may ever have in connection with the Seller's Business, including, but not limited to, any and all rights in connection with the Transferred Assets, the Base Purchase Price, the Equity Consideration, the Indemnification Escrow Amount and the Net Working Capital Escrow Amount, on terms acceptable to Buyer, Seller and Lisa Mazefsky.

ARTICLE 9
CONDITIONS PRECEDENT TO OBLIGATION OF SELLER TO CLOSE

9.1. Conditions Precedent to the Obligation of Seller to Close. The obligation of Seller to consummate the transactions contemplated by this Agreement shall be subject to the following conditions precedent:

(a) Fulfillment of Covenants. Buyer shall have performed and complied with, in all material respects, all covenants, agreements, and obligations set forth in this Agreement to be so performed or complied with by it at or prior to the Closing. Buyer shall deliver to Seller a certificate dated as of the Closing Date executed by an officer of MCMC so stating.

(b) Representations and Warranties. The representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects on the Closing Date, except for any changes expressly permitted by the terms of this Agreement. Buyer shall deliver to Seller a certificate dated as of the Closing Date executed by an officer of MCMC so stating.

(c) Corporate Approval. Seller shall have received (i) a certified copy of Buyer's Certificate of Formation; (ii) a certified copy of Buyer's Operating Agreement; and (iii) a certified copy of the resolutions of the Board of Managers of MCMC's parent company authorizing the execution of this Agreement and the consummation of the transactions contemplated hereby, each certified by an officer of Buyer's parent company.

(d) No Injunction. There shall be no injunction, writ, preliminary restraining order or any order of any nature issued by a court of competent jurisdiction which is in effect on the Closing Date and which directs that the transactions provided for herein or any of them may not be consummated as so provided.

(e) Opinion of Buyer's Parent Company Counsel. Seller shall have received an opinion of Buyer's counsel, in a form reasonably satisfactory to Seller and Buyer's counsel.

(f) Material Consents. The Material Consents shall have been obtained by Seller prior to or on Closing.

(g) Permits. The Permits identified on Schedule 2.2(f) (which shall include any Permit required to conduct investigation and/or surveillance business) hereto, as being required to be held by Buyer in its own name or in the name of any Affiliate of Buyer to operate Seller's Business from and after the Closing, shall have been validly transferred from Seller to Buyer or, if any such Permit is not transferable, Seller, at a cost to be paid by Buyer, shall have

obtained a replacement Permit on behalf of Buyer or an Affiliate of Buyer on the same material terms as the Permit not transferred.

(h) Good Standing Certificate. Seller shall have received a certificate issued by the Secretary of the State of Delaware with respect to Buyer dated no later than thirty (30) days prior to the Closing Date showing Buyer and Buyer's business to be validly existing limited liability company in Delaware.

(i) No Material Adverse Effect. Since the Effective Date, no event, occurrence, fact, condition, change, development or effect shall have occurred that, individually or in the aggregate, has constituted or resulted in, or could reasonably be expected to have a material adverse effect on Buyer's business, and the financial condition or results of operations of the Buyer's business taken as a whole.

(j) Employment Agreements. (i) Carolyn Langenohl and Steven Mazefsky shall have secured and executed three (3) year employment agreements with Buyer on terms materially acceptable to Buyer, Carolyn Langenohl and Steven Mazefsky; and (ii) those individuals set forth on Schedule 3.11(a) shall have accepted offers of employment from Buyer.

(k) Series C Preferred Units. MCMC Holdings, LLC (Buyer's parent company) shall have (i) issued to Steven Mazefsky and Carolyn Langenohl that number Series C Preferred Units of Buyer that are at least equal in value, on the Closing Date, to the Equity Consideration; and (ii) Steven Mazefsky and Carolyn Langenohl shall have agreed in their reasonable discretion that the number of Series C Preferred Units of Buyer issued to them are at least equal in value, on the Closing Date, to Equity Consideration.

ARTICLE 10 TERMINATION OF AGREEMENT

10.1. Termination of Agreement. This Agreement may be terminated:

- (a) prior to or at the Closing by mutual agreement of the parties; or
- (b) prior to or at the Closing by Buyer if any of the conditions provided for in **Article 8** of this Agreement have not been met at the Closing and have not been waived in writing by Buyer prior to such date; or
- (c) prior to or at the Closing by Seller if any of the conditions provided for in **Article 9** of this Agreement have not been met at the Closing and have not been waived in

writing by Seller prior to such date; or

(d) by either party after September 30, 2007 if the Closing has not occurred on or prior to such date, provided that the party giving notice of termination is not responsible for the failure to close on or prior to such date.

10.2. Termination Procedure; Effect of Termination.

(a) In the event of termination by Seller or Buyer, or by the mutual agreement of Seller and Buyer, pursuant to **Section 10.1** of this Agreement, written notice thereof shall forthwith be given to the other party and the transactions contemplated by this Agreement shall be terminated, without further action by either party or parties. Each party's right of termination is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated by a party because of the willful breach of the Agreement by the other party or because one or more of the material conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's willful failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies will survive such termination unimpaired.

(b) If the transactions contemplated by this Agreement are terminated as provided herein, each of Seller and Buyer shall return all documents, work papers and other material of any other party relating to the transactions contemplated hereby, whether so obtained before or after the execution of this Agreement, to the party furnishing the same; and such termination shall not in any way limit or restrict the rights and remedies of any party hereto against any other party which has breached any of the agreements or other provisions of this Agreement prior to termination of this Agreement.

10.3. Confidential Information. In the event this Agreement is terminated, each party will keep confidential any information (unless such information is public information or is otherwise required by law to be disclosed) obtained from the other party in connection with the transactions contemplated hereby and will not use, develop or disclose any such information in any manner whatsoever based on information provided by the other for a period of three (3) years.

ARTICLE 11 INDEMNIFICATION

11.1. Survival. The right to bring claims or assert causes of action for breach of any covenants, agreements, representations and warranties of the parties contained in this Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith

(including, without limitation, the Transaction Documents) shall survive the Closing for a period of three hundred sixty-five (365) days ending at midnight on the date three hundred sixty-five (365) days following the Closing Date; provided, however, that:

(a) the covenants and agreements which by their terms do not contemplate performance after the Closing shall terminate as of the Closing; and

(b) the covenants and agreements which by their terms contemplate performance after the Closing shall survive until the date specified in this Agreement or the Transaction Documents as the termination date for such covenants and agreements, or if no such date is specified, then such covenants and agreements shall survive until the expiration of any statute of limitations.

11.2. Seller's Agreement to Indemnify. Subject to the terms, conditions and limitations of this Agreement, the Seller agrees to indemnify, defend and hold harmless the Buyer Group from and against all Damages to which Buyer's Group becomes subject as a result of, arising out of, or based on any of the following:

(a) a breach of any representation or warranty made by Seller pursuant to this Agreement;

(b) a breach of any covenant contained in or made by Seller pursuant to this Agreement;

(c) the Retained Liabilities; and

(d) any claim or liability for brokerage commissions or finder's fees incurred by reason of any action taken by Seller.

Such Damages relating to subsections (a) through (d) are hereinafter collectively referred to as the "*Buyer Indemnified Losses*".

11.3. Buyer's Agreement to Indemnify. Subject to the terms, conditions and limitations of this Agreement, Buyer agrees to indemnify, defend and hold harmless Seller's Group from and against all Damages to which Seller's Group becomes subject as a result of, arising out of, or based in any of the following:

(a) a breach of any representation or warranty made by Buyer pursuant to this

Agreement;

(b) a breach of any covenant contained in or made by Buyer pursuant to this Agreement;

(c) liabilities, obligations or claims relating to Seller's Business as conducted by Buyer after the Closing (other than in connection with any Retained Liabilities) or the Transferred Assets arising out of facts, conditions or circumstances occurring after the Closing Date;

(d) the Assumed Liabilities; and

(e) any claim or liability for brokerage commissions or finder's fees incurred by reason of any action taken by Buyer. Such Damages relating to subsections (a) through (e) are hereinafter collectively referred to as the "***Seller Indemnified Losses***".

11.4. Certain Provisions Applicable to Indemnification Obligations. The right of any Indemnitee (as hereinafter defined) to indemnification of Indemnified Losses for a breach or inaccuracy in any representation or warranty set forth herein shall be subject to the following provisions:

(a) The cumulative liability of each Indemnitor (as hereinafter defined) to indemnify, defend and hold harmless an Indemnitee for Indemnified Losses pursuant to this **Article 11**, in the aggregate, shall not exceed the amount equal to the Indemnification Escrow Amount, as initially funded, it being acknowledged that the amount initially funded is Four Hundred Thousand Dollars (\$400,000.00) ("***Indemnification Cap***").

(b) Each Indemnitor shall not be required to indemnify, defend or hold harmless any Indemnitee, unless the cumulative amount of all Indemnified Losses suffered by the Indemnitees of such Indemnitor, in the aggregate, exceeds Fifty Thousand Dollars (\$50,000) (the "***Threshold Amount***"), whereupon only the amount of all such Indemnified Losses exceeding the Threshold Amount shall be recoverable by the applicable Indemnitee to the extent otherwise entitled to indemnification pursuant to this Agreement.

(c) The limitations set forth in **Section 11.4(a)** and **Section 11.4(b)** above shall not apply in the case of fraud, and to representations and warranties of title (**Section 4.6**), taxes (**Section 4.9**) and ERISA (**Section 4.14**) (which shall not be subject to the Threshold Amount or the Indemnification Cap).

(d) Seller shall not be obligated to indemnify, defend or hold harmless the

Buyer's Group with respect to any Damages that are stated as a liability on the Closing Working Capital to the extent of such stated liability, or for which a reserve was made on the Closing Working Capital to the extent of such reserve, other than those liabilities and reserves identified in the calculation of the Net Working Capital for the Closing Working Capital as a Retained Liability.

11.5. Procedures for Resolution and Payment of Claims for Indemnification.

(a) If a Person entitled to be indemnified under this Article 11 (the "*Indemnitee*") shall incur any Damages or determines that it is likely to incur any Damages, and believes that it is entitled to be indemnified against such Damages by the other party hereunder (the "*Indemnitor*"), such Indemnitee shall give prompt notice to the Indemnitor of the assertion of any claim, or the commencement of any action, suit or proceeding, in respect of which indemnity may be sought hereunder and will give the Indemnitor such information with respect thereto as the Indemnitor may reasonably request ("*Indemnitee's Certificate*"), but failure to give such notice shall relieve the Indemnitor of any liability hereunder only to the extent that the Indemnitor has suffered actual prejudice thereby.

(b) In case the Indemnitor shall object to the indemnification of an Indemnitee in respect of any claim or claims specified in any Indemnitee's Certificate, the Indemnitor shall within thirty (30) days after receipt by the Indemnitor of such Indemnitee's Certificate deliver to the Indemnitee a written notice to such effect and the Indemnitor and the Indemnitee shall, within the thirty (30) day period beginning on the date of receipt by the Indemnitee of such written objection, attempt in good faith to agree upon the rights of the respective parties with respect to each of such claims to which the Indemnitor shall have so objected. If the Indemnitee and the Indemnitor shall succeed in reaching agreement on their respective rights with respect to any of such claims, the Indemnitee and the Indemnitor shall promptly prepare and sign a memorandum setting forth such agreement. In the event the Indemnitee and the Indemnitor do not succeed in reaching agreement on their respective rights with respect to any such claims ("*Disputed Claims*"), the Disputed Claims will be resolved in accordance with Section 12.9 herein.

(c) Claims for Damages specified in any Indemnitee's Certificate to which an Indemnitor shall not object in writing and claims for Damages resolved in accordance with Section 11.5(b) and Section 12.9 above are hereinafter referred to, collectively, as "*Agreed Claims*."

(d) Promptly after the assertion by any third party of any claim against any Indemnitee that, in the reasonable judgment of such Indemnitee, will result in the incurrence by such Indemnitee of Damages for which such Indemnitee would be entitled to indemnification pursuant to this Agreement, such Indemnitee shall deliver to the Indemnitor a written notice describing in reasonable detail such claim and such Indemnitor may, at its option, assume the defense of the Indemnitee against such claim (including the employment of counsel, who shall

be reasonably satisfactory to such Indemnitee, and the payment of expenses). Failure to receive notice from Indemnitee shall not amend any rights, obligations or limitations set forth in this **Article 11**. Any Indemnitee shall have the right to employ separate counsel in any such action or claim and to participate in the defense thereof, but the Indemnitor shall not be responsible for the fees and expenses of such counsel unless (i) the Indemnitor shall have failed, within a reasonable time after having been notified by the Indemnitee of the existence of such claim as provided in the preceding sentence, to assume the defense of such claim, (ii) the employment of such counsel has been specifically authorized by the Indemnitor, or (iii) the named parties to any such action (including any impleaded parties) include both such Indemnitee and Indemnitor and such Indemnitee shall have furnished Indemnitor an opinion of counsel to the effect that there may be one or more legal defenses available to Indemnitee which are different from or additional to those available to Indemnitor, in which event Indemnitor shall only be responsible for the fees and expenses of one separate firm of attorneys for all Indemnitees. If the Indemnitor, within a reasonable time after notice of any such third party claim, fails in good faith to defend the Indemnitee against such claim, the Indemnitee shall have the right to undertake the defense, compromise or settlement of such claim on behalf of and for the account and risk of the Indemnitor, subject always to the right of the Indemnitor to assume the defense of such claim at any time prior to settlement, compromise or final determination thereof. No Indemnitor shall be liable to indemnify any Indemnitee for any settlement or compromise of any such action or claim effected without the consent of the Indemnitor which shall not be unreasonably withheld or delayed; but if settled with the written consent of the Indemnitor, or if there be a final judgment for the plaintiff or claimant in any such action, the Indemnitor shall indemnify and hold harmless each Indemnitee from and against any loss or liability by reason of such settlement or judgment (but only to the extent provided in this **Article 11**).

11.6. Payment of Agreed Claims. Upon the occurrence of any event or existence of any condition which result in a claim for indemnification under this **Article 11**, such party shall initiate a claim under **Section 11.5** of this Agreement. Upon resolution of the claim, the parties shall mutually and jointly instruct the Escrow Agent to pay the Agreed Claims, if any, from the Indemnification Escrow Amount.

11.7. Remedies Exclusive. The remedies provided in this **Article 11** shall be the exclusive remedies of the party after the Closing for monetary damages in connection with the transactions contemplated by this Agreement including, without limitation, any breach or non-performance of any representation, warranty, covenant or agreement contained herein. Neither Buyer nor Seller may commence any suit, action or proceeding against the other or any members of the Buyer's Group or the Seller's Group with respect to the subject matter of this Agreement, whether in contract, tort or otherwise, except to enforce the express rights under this **Article 11**.

ARTICLE 12 MISCELLANEOUS

12.1. Expenses. Except as otherwise provided herein, each of the parties hereto shall

pay all fees and expenses incurred by it or any of its affiliates or subsidiaries in connection with this Agreement and the consummation of the transaction contemplated hereby.

12.2. Further Assurances. Each party hereto shall, from time to time after the Closing, at the request of any other party hereto and without further consideration, execute and deliver such other instruments of conveyance, assignment, transfer and assumption, and take such other actions, as such other party may reasonably request to more effectively consummate the transactions contemplated by this Agreement. In addition, from time to time after the Closing, at the request of Buyer, Seller shall (a) cooperate with Buyer in the enforcement of any rights of Seller pursuant to any secrecy, confidentiality, non-disclosure, non-competition or similar contract with respect to Seller's Business or the Transferred Assets to the extent such contracts were included as part of the Transferred Assets; provided that Buyer shall reimburse Seller for any reasonable out-of-pocket expenses incurred by Seller in connection with the enforcement thereof, and (b) without further consideration, reasonably assist Buyer in obtaining any Permit listed on Schedule 2.2(f) hereto that has not been transferred to or obtained by Buyer at or prior to the Closing; provided, that Buyer shall reimburse Seller for any reasonable out-of-pocket expenses incurred by Seller in connection with such activities. Notwithstanding the foregoing sentence, under no circumstances shall Seller be required to initiate lawsuits or to otherwise expend any monies whatsoever in order to comply with its obligation to cooperate as set forth in this Section 12.2.

12.3. Notices. All notices and other communications given to any party hereto pursuant to this Agreement shall be in writing and shall be hand delivered, or sent either by (a) certified mail, postage prepaid, return receipt requested; (b) a nationally recognized overnight express courier service that provides written confirmation of delivery; or (c) facsimile transmission with written confirmation by the sending machine or with telephone confirmation of receipt (provided that a confirming copy is sent by a nationally reputable overnight express courier service that provides written confirmation of delivery), addressed as follows:

If to Buyer:

MCMC LLC
88 Black Falcon Avenue, Suite 353
Boston, Massachusetts 02110
Attention: Michael A. Lindberg,
President & CEO
Facsimile No.: (617) 375-7777

With a copy to:

MCMC LLC
88 Black Falcon Avenue, Suite 353
Boston, Massachusetts 02110
Attention: Robert A. Millerick, Vice President & General
Counsel
Facsimile No.: (617) 927-7761; and

If to Seller:

Litigation Solutions, Inc.
101 Town Square Way, Suite 251
Brentwood Town Center
Pittsburgh, Pennsylvania 15227
Attention: Carolyn Langenohl, President and
Steven Mazefsky, Vice President – Sales and Marketing
Facsimile No.: (412) 253-1053

With a copy to:

Babst, Calland, Clements and Zomnir, P.C.
Two Gateway Center, 6th Floor
Pittsburgh, PA 15222
Attention: Christian A. Farmakis, Esquire
Facsimile No.: (412) 586-1044

Any communication given in conformity with this **Section 12.3**, shall be effective upon actual receipt or, if sent by a nationally recognized overnight express courier service, on the first Business Day after deposit with such service. Any party may at any time change its address for receiving communications pursuant to this **Section 12.3** by giving notice of a new address in the manner provided herein.

12.4. Entire Agreement. This Agreement, the Transaction Documents, and the forms of which are attached hereto as Exhibits or referred to herein, together with the Schedules and Exhibits hereto and thereto constitute the entire agreement between the parties hereto pertaining to the subject matter of this Agreement, and all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect thereto are hereby superseded in their entirety except as specifically provided herein.

12.5. Amendments. This Agreement may not be modified, amended or supplemented nor may performance of any provision of this Agreement be waived except by an agreement in writing signed by the parties hereto.

12.6. Assignment; Successors and Assigns. Except for the Buyer's right to assign its rights pursuant to this Agreement to any lender of the Buyer and except for Buyer's right to assign its rights to the Transferred Assets to a subsidiary of Buyer, none of the rights and obligations of either party to this Agreement may be assigned without the prior written consent of the other party, and any purported assignment made without such consent shall be void. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns (each of which successors and permitted assigns shall be deemed to be a party hereto for all purposes of this Agreement).

12.7. Waiver. No waiver of any of the terms, covenants, conditions or provisions of this Agreement shall be binding on any party unless consented to in writing by such party. The failure of any party to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this Agreement shall not be construed as a waiver or a relinquishment of any right or claim granted or arising hereunder or of the future performance of any such term, covenant, or condition, and such failure shall in no way affect the validity of this Agreement or the rights and obligations of the parties hereto.

12.8. Reformation and Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement: (a) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible which is legal, valid and enforceable; and (b) the legality, validity and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

12.9. Governing Law; Jurisdiction and Venue; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the domestic substantive laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction. Each party hereby agrees that any proceeding relating to this Agreement and the transactions contemplated hereby shall be brought in a state or federal court located in Allegheny County, Pennsylvania. Each party hereby consents to personal jurisdiction in any such action brought in any such state or federal court, consents to service of process by registered mail made upon such party and such party's agent and waives any objection to venue in any such state or federal court and any claim that any such state or federal court is an inconvenient forum. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTION DOCUMENTS. EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTION DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 12.9.

12.10. Specific Performance. With regard to any breach by either party of the terms of this Agreement or the Transaction Documents that would cause the nonbreaching party to be irreparably harmed and/or for which such nonbreaching party could not be made whole by monetary damages, such nonbreaching party, in addition to any other remedy to which it may be entitled at law or in equity, shall be entitled to seek specific performance of this Agreement or

the Transaction Documents.

12.11. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument notwithstanding that all parties are not signatories to each counterpart.

12.12. Third Parties. Except as provided for in **Section 3.2** of this Agreement, nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

12.13. Number and Gender of Words. When the context so requires in this Agreement, words of gender shall include either or both genders and the singular number shall include the plural.

12.14. Headings. The Article, Section and subsection headings are included solely for convenient reference and shall not be deemed to provide an accurate description of the content of any Article, Section or subsection of this Agreement or otherwise control or affect the meaning or interpretation of any of the provisions of this Agreement.

12.15. Construction. Seller and Buyer have participated jointly in the negotiation and drafting of this Agreement and the Transaction Documents. In the event any ambiguity or question of intent or interpretation arises, this Agreement and the Transaction Documents shall be construed as if drafted jointly by Seller and Buyer and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Unless otherwise expressly stated, the words "herein," "hereof" and "hereunder" and other words of similar impact refer to this Agreement as a whole and not to any particular Section, Article, Subsection or other subdivision. The words "include" and "including" shall not be construed as terms of limitation.

12.16. Electronic Delivery and Delivery by Facsimile. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of email or a facsimile machine, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of email or a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was

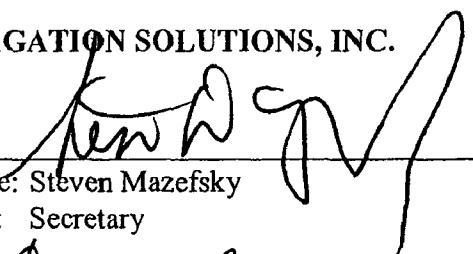
transmitted or communicated through the use of email or a facsimile machine as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

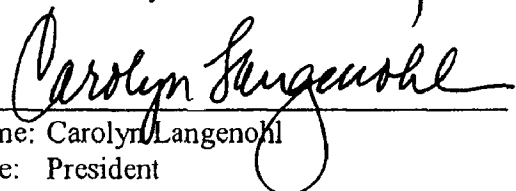
[Signature Page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

SELLER:

LITIGATION SOLUTIONS, INC.

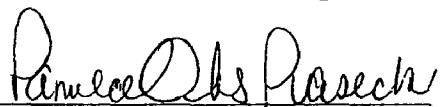
By: 
Name: Steven Mazefsky
Title: Secretary

By: 
Name: Carolyn Langenohl
Title: President

BUYER:

LITIGATION SOLUTIONS, LLC

BY: MCMC LLC (its Controlling Member)

By: 
Name: Pamela Ochs-Piasecki
Title: Chief Financial Officer

**ASSENTED TO AS TO FORM
AND SUBSTANCE:**

MCMC HOLDINGS, LLC

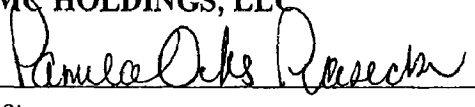
By: 
Name: _____
Title: _____

EXHIBIT A

PERMITTED ENCUMBRANCES

- (1) Encumbrances that may exist against Seller's equipment that are subject to equipment and automobile lease agreements that are identified as Specified Contracts being assumed by Buyer pursuant to this Agreement.

EXHIBIT B

ESCROW AGREEMENT

TRADEMARK

REEL: 003843 FRAME: 0194

ESCROW AGREEMENT

This Escrow Agreement (this "***Agreement***"), dated as of August 27, 2007 (the "Escrow Agreement Effective Date"), is by and among Litigation Solutions, Inc., a Pennsylvania corporation having its principal place of business at 101 Towne Square Way, Suite 251, Pittsburgh, Pennsylvania, 15227, ("***Seller***"), Litigation Solutions, LLC, a Delaware limited liability company having its principal place of business at 88 Black Falcon Avenue, Suite 353, Boston, Massachusetts, 02210 ("***Buyer***", together with Seller, the "***Escrow Parties***"), and Mellon Bank, N.A., a national banking association with its principal place of business at One Mellon Center, Pittsburgh, PA 15258 (the "***Escrow Agent***").

WHEREAS, Buyer and Seller have entered into an Asset Purchase Agreement (the "***APA***") as of the date hereof whereby Buyer purchased substantially all of Seller's assets.

WHEREAS, pursuant to the terms of the APA, Buyer and Seller have agreed to deposit in escrow certain funds with the Escrow Agent and wish such deposit to be subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and agreements of the parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Appointment of Agent.** The Escrow Parties appoint the Escrow Agent as their agent to hold in escrow, and to administer the disposition of, the Escrow Fund (as defined below) in accordance with the terms of this Agreement, and the Escrow Agent accepts such appointment.

2. **Establishment of Escrow.** Simultaneous with the execution and delivery of this Agreement, Buyer shall deposit the following sums with the Escrow Agent: (i) \$400,000.00 (the "***Indemnification Escrow Amount***"), and (ii) \$100,000.00 (the "***Net Working Capital Escrow Amount***"), together with the Indemnification Escrow Amount, the "***Escrow Deposits***"). The Escrow Agent shall hold the Escrow Deposits and, subject to the terms and conditions hereof, shall invest and reinvest the Escrow Deposits and the proceeds thereof (the "***Escrow Fund***") as set forth in Section 7 of this Agreement. The Escrow Agent shall promptly upon request by Buyer or Seller or the Escrow Parties acknowledge to the Escrow Parties receipt of any funds so deposited; and the Escrow Parties shall deliver one fully executed original of this Agreement to the Escrow Agent in accordance with the Section 15 of this Agreement.

3. **Customer Identification and TIN Certification.** To help the government fight the funding of terrorism and money laundering activities, Federal laws require all financial institutions to obtain, verify and record information that identifies each individual or entity that opens an account. Therefore, the Escrow Agent must obtain the name, address, taxpayer or other government identification number, and other information, such as date of birth for individuals, for each individual and business entity that is a party to this Agreement. For individuals signing this Agreement on their own behalf or on behalf of another, the Escrow Agent requires a copy of a driver's license, passport or other form of photo identification. For business and other entities that

are parties to this Agreement, the Escrow Agent will require such documents as it deems necessary to confirm the legal existence of the entity.

At the time of or prior to execution of this Agreement, any Escrow Party providing a tax identification number for tax reporting purposes shall provide to the Escrow Agent a completed IRS Form W-9, and every individual executing this Agreement on behalf of an Escrow Party shall provide to the Escrow Agent a copy of a driver's license, passport or other form of photo identification acceptable to the Escrow Agent. The Escrow Parties agree to provide to the Escrow Agent such organizational documents and documents establishing the authority of any individual acting in a representative capacity as the Escrow Agent may require in order to comply with its established practices, procedures and policies.

The Escrow Agent is authorized and directed to report all interest and other income earned on the Escrow Fund in accordance with the Form W-9 information provided to the Escrow Agent by Seller. The Escrow Parties understand that, in the event one or more tax identification number is not certified to the Escrow Agent, the Internal Revenue Code, as amended from time to time, may require withholding of a portion of any interest or other income earned on the Escrow Deposits.

4. Deposit of the Escrow Fund. The Escrow Agent shall deposit the Escrow Fund in one or more deposit accounts at Mellon Bank, N.A. in accordance with such written instructions and directions as may from time to time be provided to the Escrow Agent by the Escrow Parties. For the avoidance of doubt, Escrow Agent shall deposit the Indemnification Escrow Amount and the Net Working Capital Escrow Amount in separate accounts and shall, at all times, separately identify and account for each such separate account. In the event that the Escrow Agent does not receive written instructions, the Escrow Agent shall deposit the Escrow Deposits in deposit accounts at Mellon Bank, N.A. Deposits shall in all instances be subject to the Escrow Agent's standard funds availability policy. The Escrow Agent shall not be responsible for any loss due to interest rate fluctuation. The Escrow Parties understand that the Escrow Fund is not necessarily insured by the United States Government or any agency or instrumentality thereof, or of any state or municipality, and that the Escrow Fund does not necessarily earn a fixed rate of return. In no instance shall the Escrow Agent have any obligation to provide investment advice of any kind. The Escrow Agent shall not be liable or responsible for any loss resulting from any deposits made pursuant to this Section 4, other than as a result of the gross negligence or willful misconduct of the Escrow Agent.

5. Release of the Escrow Fund.

(a) **The Indemnification Escrow Amount.** The Escrow Agent shall deliver the Indemnification Escrow Amount, together with any interest that has accumulated in connection with the Escrow Deposits relative to the Indemnification Escrow Amount, to the Seller on August 27, 2008 (the "*Indemnification Escrow Amount Release Date*") and upon the joint written notification and instruction from the Escrow Parties to the Escrow Agent substantially in the form of Exhibit A, provided that the Buyer has not provided the Seller with an Indemnatee's Certificate (as defined in the APA) related to the Indemnification Escrow Amount or that no Disputed Claim (as defined in the APA) by the Buyer against such amount is pending in good faith. In the event that any such Indemnatee's Certificate or Disputed Claim is pending, the Escrow Agent shall

deliver to the Seller the Indemnification Escrow Amount, together with any interest that has accumulated or may accumulate in connection with the Escrow Deposits relative to the Indemnification Escrow Amount, less the reasonably estimated value of the amount referenced in the Indemnitee Certificate or the Disputed Claims which are pending (such value to be mutually determined by the Escrow Parties and disclosed in writing to the Escrow Agent). Escrow Deposits relating to the Indemnification Escrow Amount remaining in escrow after the Indemnification Escrow Amount Release Date shall be disbursed only after (a) a Disputed Claim becomes an Agreed Claim (as defined in the APA); and (b) upon the joint notification and instruction from the Escrow Parties to the Escrow Agent substantially the form of Exhibit A.

(b) **The Net Working Capital Escrow Amount.** Upon determination of the Closing Working Capital, as that term is defined in accordance with the APA and as finally determined pursuant to the provisions of the APA, the Escrow Parties shall jointly instruct the Escrow Agent how to disburse the Net Working Capital Escrow Amount upon the issuance of joint written instructions from the Escrow Parties substantially in the form of Exhibit A.

(c) **Timing of Payment.** The Escrow Agent shall promptly release any Escrow Fund that the Escrow Agent is required to release in accordance with the pertinent provisions of this Agreement.

(d) Notwithstanding anything to the contrary in this Agreement, if the Escrow Agent receives written instructions from the Escrow Parties, or their respective successors or assigns, substantially in the form of Exhibit A, as to the disbursement of the Escrow Fund ("Joint Written Instructions"), the Escrow Agent shall disburse the Escrow Fund pursuant to such Joint Written Instruction. The Escrow Agent shall have no obligation to follow any directions set forth in any Joint Written Instructions unless and until the Escrow Agent is satisfied, in its sole discretion, that the persons executing said Joint Written Instructions are authorized to do so.

(e) Notwithstanding anything to the contrary in this Agreement, if any amount to be released at any time or under any circumstances exceeds the balance in the Escrow Fund, the Escrow Agent shall release the balance in the Escrow Fund and shall have no liability or responsibility to the Escrow Parties for any deficiency.

6. Methods of Payment. All payments required to be made by the Escrow Agent under this Agreement shall be made by wire transfer or by cashier's check, as elected by the party receiving the funds. Any wire transfers shall be made subject to, and in accordance with, the Escrow Agent's normal funds transfer procedures in effect from time to time. The Escrow Agent shall be entitled to rely upon all bank and account information provided to the Escrow Agent by any of the Escrow Parties. The Escrow Agent shall have no duty to verify or otherwise confirm any written wire transfer instructions but it may do so in its discretion on any occasion without incurring any liability to any of the Escrow Parties for failing to do so on any other occasion. The Escrow Agent shall process all wire transfers based on bank identification and account numbers rather than the names of the intended recipient of the funds, even if such numbers pertain to a recipient other than the recipient identified in the payment instructions. The Escrow Agent shall have no duty to detect any such inconsistencies and shall resolve any such inconsistencies by using the account number.

7. Responsibilities and Liability of Escrow Agent.

(a) **Investment of Escrow Deposits.** During the term of this Agreement, the Escrow Deposits shall be invested and reinvested by the Escrow Agent in on or more interest bearing money market accounts approved by the Escrow Parties. The Escrow Agent shall provide periodic statements to the Escrow Parties reflecting transactions executed in relation to the Escrow Deposits. The Escrow Agent shall have the right to liquidate any investments held in order to provide funds necessary to make required payments under this Agreement.

(b) **Duties Limited.** The Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement. The Escrow Agent's duties shall be determined only with reference to this Agreement and applicable laws and it shall have no implied duties. The Escrow Agent shall not be bound by, deemed to have knowledge of, or have any obligation to make inquiry into or consider, any term or provision of any agreement between any of the Escrow Parties and/or any other third party or as to which the escrow relationship created by this Agreement relates, including without limitation any documents referenced in this Agreement.

(c) **Limitations on Liability of Escrow Agent.** Except in cases of the Escrow Agent's bad faith, willful misconduct or negligence, the Escrow Agent shall be fully protected (i) in acting in reliance upon any certificate, statement, request, notice, advice, instruction, direction, other agreement or instrument or signature reasonably and in good faith believed by the Escrow Agent to be genuine, (ii) in assuming that any person purporting to give the Escrow Agent any of the foregoing in connection with either this Agreement or the Escrow Agent's duties, has been duly authorized to do so, and (iii) in acting or failing to act in good faith on the advice of any counsel retained by the Escrow Agent. The Escrow Agent shall not be liable for any mistake of fact or law or any error of judgment, or for any act or omission, except as a result of its bad faith, willful misconduct or negligence. The Escrow Agent shall not be responsible for any loss incurred upon any action taken under circumstances not constituting bad faith, willful misconduct or negligence.

In connection with any payments that the Escrow Agent is instructed to make by wire transfer, the Escrow Agent shall not be liable for the acts or omissions of (a) any Escrow Party or other person providing such instructions, including without limitation errors as to the amount, bank information or bank account number; or (b) any other person or entity, including without limitation any Federal Reserve Bank, any transmission or communications facility, any funds transfer system, any receiver or receiving depository financial institution, and no such person or entity shall be deemed to be an agent of the Escrow Agent.

Without limiting the generality of the foregoing, it is agreed that in no event will the Escrow Agent be liable for any lost profits or other indirect, special, incidental or consequential damages which the parties may incur or experience by reason of having entered into or relied on this Agreement or arising out of or in connection with the Escrow Agent's services, even if the Escrow Agent was advised or otherwise made aware of the possibility of such damages; nor shall the Escrow Agent be liable for acts of God, acts of war, breakdowns or malfunctions of machines or computers, interruptions or malfunctions of communications or power supplies, labor

difficulties, actions of public authorities, or any other similar cause or catastrophe beyond the Escrow Agent's reasonable control.

In the event that the Escrow Agent shall be uncertain as to its duties or rights under this Agreement, or shall receive any certificate, statement, request, notice, advice, instruction, direction or other agreement or instrument from any other party with respect to the Escrow Fund which, in the Escrow Agent's reasonable and good faith opinion, is in conflict with any of the provisions of this Agreement, or shall be advised that a dispute has arisen with respect to the Escrow Fund or any part thereof, the Escrow Agent shall be entitled, without liability to any person, to refrain from taking any action other than to keep safely the Escrow Fund until the Escrow Agent shall be directed otherwise in accordance with Joint Written Instructions or an order of a court with jurisdiction over the Escrow Agent. The Escrow Agent shall be under no duty to institute or defend any legal proceedings, although the Escrow Agent may, in its discretion and at the expense of the Escrow Parties as provided in subsections (d) or (e) immediately below, institute or defend such proceedings.

(d) **Indemnification of Escrow Agent.** The Escrow Parties jointly and severally agree to indemnify the Escrow Agent for, and to hold it harmless against, any and all claims, suits, actions, proceedings, investigations, judgments, deficiencies, damages, settlements, liabilities and expenses (including reasonable legal fees and expenses of attorneys chosen by the Escrow Agent) as and when incurred, arising out of or based upon any act, omission, alleged act or alleged omission by the Escrow Agent or any other cause, in any case in connection with the acceptance of, or performance or non-performance by the Escrow Agent of, any of the Escrow Agent's duties under this Agreement, except as a result of the Escrow Agent's bad faith, willful misconduct or negligence.

(e) **Authority to Interplead.** The Escrow Parties authorize the Escrow Agent, if the Escrow Agent is threatened with litigation or is sued, to interplead all interested parties in any court of competent jurisdiction and to deposit the Escrow Fund with the clerk of that court. In the event of any dispute, the Escrow Agent shall be entitled to petition a court of competent jurisdiction and shall perform any acts ordered by such court.

8. **Conflict.** As it relates solely to the Escrow Parties, in the event that any provision of this Agreement conflicts with any provision of the APA, the parties agree that the provisions of the APA shall control.

9. **Termination.** This Agreement and all the obligations of the Escrow Agent shall terminate upon the earliest to occur of the release of the entire Escrow Fund by the Escrow Agent in accordance with this Agreement or the deposit of the Escrow Fund by the Escrow Agent in accordance with Section 7(e) hereof.

10. **Removal of Escrow Agent.** The Escrow Parties acting together shall have the right to terminate the appointment of the Escrow Agent, specifying the date upon which such termination shall take effect. Thereafter, the Escrow Agent shall have no further obligation to the Escrow Parties except to hold the Escrow Fund as depository and not otherwise. The Escrow Parties agree that they will jointly appoint a banking corporation, trust company or attorney as successor

escrow agent. Escrow Agent shall refrain from taking any action until it shall receive joint written instructions from the Escrow Parties designating the successor escrow agent. Escrow Agent shall deliver all of the Escrow Fund to such successor escrow agent in accordance with such instructions and upon receipt of the Escrow Fund, the successor escrow agent shall be bound by all of the provisions of this Agreement.

11. Resignation of Escrow Agent. The Escrow Agent may resign and be discharged from its duties and obligations hereunder at any time by giving no less than ten (10) days' prior written notice of such resignation to the Escrow Parties, specifying the date when such resignation will take effect. Thereafter, the Escrow Agent shall have no further obligation to the Escrow Parties except to hold the Escrow Fund as depository and not otherwise. In the event of such resignation, the Escrow Parties agree that they will jointly appoint a banking corporation, trust company, or attorney as successor escrow agent within ten (10) days of notice of such resignation. Escrow Agent shall refrain from taking any action until it shall receive joint written instructions from the Escrow Parties designating the successor escrow agent. Escrow Agent shall deliver all of the Escrow Fund to such successor escrow agent in accordance with such instructions and upon receipt of the Escrow Fund, the successor escrow agent shall be bound by all of the provisions of this Agreement.

12. Accounting. On a monthly basis, the Escrow Agent shall render a written statement setting forth the balance of the Escrow Fund, all interest earned and all distributions made, which statements shall be delivered to the following address(es):

If to Seller: Litigation Solutions, Inc.
101 Towne Square Way, Suite 251
Pittsburgh, Pennsylvania, 15227
Attention: Carolyn Langenohl

If to Buyer: Litigation Solutions, LLC
88 Black Falcon Avenue, Suite 353
Boston, Massachusetts, 02210
Attention: Pamela Ochs-Piasecki

13. Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of Section 7 shall survive any resignation or removal of the Escrow Agent, and any termination of this Agreement.

14. Escrow Agent Fees, Costs, and Expenses. The Escrow Agent shall be entitled to be reimbursed for nominal monthly maintenance fees and charges for any wire transfers or other depository services rendered in connection with the Escrow Fund and any delivery charges or other out of pocket expenses incurred in connection the Escrow Fund. The Buyer acknowledges its obligation to pay such amounts owed to the Escrow Agent pursuant to this Agreement.

15. Notices. All notices under this Agreement shall be transmitted to the respective parties, shall be in writing and shall be considered to have been duly given or served when personally delivered to any individual party, or on the first (1st) business day after the date of deposit with an overnight

courier for next day delivery, postage paid, or on the third (3rd) business day after deposit in the United States mail, certified or registered, return receipt requested, postage prepaid, or on the date of telecopy, fax or similar transmission during normal business hours, as evidenced by mechanical confirmation of such telecopy, fax or similar transmission, addressed in all cases to the party at his or its address set forth below, or to such other address as such party may designate, provided that notices will be deemed to have given to the Escrow Agent on the actual date received:

If to Seller: Litigation Solutions, Inc.
101 Towne Square Way, Suite 251
Pittsburgh, Pennsylvania, 15227
Facsimile: 412-253-1053
Attention: Carolyn Langenohl

If to Buyer: Litigation Solutions, LLC
88 Black Falcon Avenue, Suite 353
Boston, Massachusetts, 02210
Facsimile: 617-927-7761
Attention: Robert A. Millerick

If to the Escrow Agent: Mellon Bank, N.A.
One Mellon Center, Room 151-3737
Pittsburgh, PA 15258
Facsimile: 412-234-5339
Attention: Carolyn Kozlowski, Vice President

Any notice, except notice by the Escrow Agent, may be given on behalf of any party by its counsel or other authorized representative. In all cases, the parties shall be entitled to rely on a copy or a fax transmission of any document with the same legal effect as if it were the original of such document.

16. Modifications; Waiver. This Agreement may not be altered or modified without the express prior written consent of all of the parties to this Agreement. No course of conduct shall constitute a waiver of any terms or conditions of this Agreement, unless such waiver is specified in writing, and then only to the extent so specified. A waiver of any of the terms and conditions of this Agreement on one occasion shall not constitute a waiver of the other terms of this Agreement, or of such terms and conditions on any other occasion.

17. Further Assurances. If at any time the Escrow Agent shall determine or be advised that any further agreements, assurances or other documents are reasonably necessary or desirable to carry out the provisions of this Agreement and the transactions contemplated by this Agreement, the Escrow Parties shall, at their own expense, execute and deliver any and all such agreements or other documents, and do all things reasonably necessary or appropriate to carry out fully the provisions of this Agreement.

18. **Assignment.** This Agreement shall inure to the benefit of and be binding upon the successors, heirs, personal representatives, and permitted assigns of the parties. This Agreement is freely assignable by the Escrow Parties; provided, however, that no assignment by such party, or its successors or assigns, shall be effective unless prior written notice of such assignment is given to the other parties, including, without limitation, the Escrow Agent. This Agreement may not be assigned by the Escrow Agent, except that upon prior written notice to the Escrow Parties, the Escrow Agent may assign this Agreement to an affiliated or successor bank or other qualified bank entity.

19. **Section Headings.** The section headings contained in this Agreement are inserted for purposes of convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

20. **Governing Law.** This Escrow Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of law.

21. **Counterparts and Facsimile Execution.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes (and such signatures of the parties transmitted by facsimile shall be deemed to be their original signatures for all purposes).

[end of text]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Escrow Agreement Effective Date.

LITIGATION SOLUTIONS, INC.

BY: _____
NAME: Carolyn Langenohl
TITLE: President

LITIGATION SOLUTIONS, LLC

BY: _____
NAME: Robert Millerick
TITLE: Vice President and General Counsel for
MCMC LLC, Buyer's Controlling Member

MELLON BANK, N.A.

BY: _____
NAME: _____
TITLE: _____

EXHIBIT A

**JOINT WRITTEN INSTRUCTIONS
FOR RELEASE OF ESCROW FUNDS**

Pursuant to Section 5 of the Escrow Agreement dated as of _____, 20____, by and among Litigation Solutions, Inc. ("*Seller*"), Litigation Solutions, LLC ("*Buyer*", together with Seller, the "*Escrow Parties*") and Mellon Bank, N.A., (the "*Escrow Agent*"), the Escrow Parties hereby instruct the Escrow Agent to release \$[_____] from the [Escrow Fund]¹ in accordance with the following instructions:

Wire Instructions:

Account Name: _____
Account Number: _____
Bank Name: _____
Bank ABA Number: _____
Bank Address: _____

For credit to: _____
Special Instructions: _____

Bank Check:

Payee Name: _____
Mailing Address: _____

LITIGATION SOLUTIONS, INC.

By: _____
Name: _____
Title: _____

LITIGATION SOLUTIONS, LLC

By: _____
Name: _____
Title: _____

¹ Substitute appropriate term used in the escrow agreement for the escrowed funds from which the distribution is to be made.

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "*Agreement*"), is entered into as of this 27th day of August, 2007 (the "*Effective Date*"), by and among Litigation Solutions, Inc., a Pennsylvania corporation (the "*Seller*") and Litigation Solutions, LLC, a Delaware limited liability company ("*Buyer*").

BACKGROUND

A. Seller operates a business that provides records procurement, fraud investigation and surveillance services headquartered in Pittsburgh, Pennsylvania (such business being herein referred to as "*Seller's Business*").

B. Seller is desirous of selling to Buyer, and Buyer is desirous of purchasing from Seller, substantially all of Seller's assets used in, and that relate to the ongoing operations of, Seller's Business, along with assuming certain identified liabilities of Seller's Business, upon the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual agreements, covenants, representations and warranties hereafter set forth, and intending to be legally bound, the parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

1.1. **Definitions.** For purposes of this Agreement, the terms defined in this Article 1 shall have the meanings herein specified.

"Accounting Arbitrator" shall have the meaning assigned to it in Section 3.4(d) of this Agreement.

"Affiliate" of any Person shall mean any Person, directly or indirectly, controlling, controlled by or under common control with such Person.

"Agreement" shall have the meaning assigned to it in the Preamble of this Agreement.

"Agreed Claims" shall have the meaning assigned to it in **Section 11.5(c)** of this Agreement.

"Assignment and Assumption Agreement" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Assumed Liabilities" shall have the meaning assigned to it in **Section 2.4** of this Agreement.

"Base Purchase Price" shall have the meaning assigned to it in **Section 3.1** of this Agreement.

"Benefit Plan" shall mean any plan, program, arrangement, fund, policy, practice or contract, other than any 401(k) plan, which, through which or under which either Seller or a Seller's ERISA Affiliate (as hereinafter defined) provides benefits or compensation to or on behalf of Employees or former employees of Seller, whether formal or informal, whether or not written, including, but not limited to, the following: (i) any bonus, incentive compensation, deferred compensation, commission, severance pay, golden parachute or other compensation plan; (ii) any "employee benefit plan" (as defined in Section 3(3) of ERISA), including, but not limited to, any multiemployer plan (as defined in Section 3(37) and Section 401(a)(3) of ERISA), Simple IRA plan, defined benefit plan, profit sharing plan, money purchase pension plan, savings or thrift plan, stock bonus plan, employee stock ownership plan, or any other plan or program providing deferred compensation, or any plan, fund, program, arrangement or practice providing for severance pay, medical (including post retirement medical), hospitalization, accident, sickness, disability, supplemental, or life insurance benefits; and (iii) any vacation, scholarship, day care, prepaid legal services, dependent care or other fringe benefit plans, programs, arrangements, contracts or practices.

"Bill of Sale" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Books and Records" shall mean all books and records of Seller used in Seller's Business or relating to Seller's Business or the Transferred Assets, including, without limitation, certain computerized storage media, but not including the Retained Books and Records.

"Business Day" shall have the meaning assigned to it in **Section 3.7** of this Agreement.

"Buyer" shall have the meaning assigned to it in the Preamble of this Agreement.

"Buyer's Amount" shall have the meaning assigned to it in **Section 3.4(d)** of this Agreement.

"Buyer's Group" shall mean Buyer, its officers and managers.

"Buyer Indemnified Losses" shall have the meaning assigned to it in **Section 11.2** of this Agreement.

"Closing" shall have the meaning assigned to it in **Section 3.7** of this Agreement.

"Closing Date" shall have the meaning assigned to it in **Section 3.7** of this Agreement.

"Closing Statement" shall have the meaning assigned to it in **Section 3.1** of this Agreement.

"Closing Working Capital" shall have the meaning assigned to it in **Section 3.4(b)** of this Agreement.

"COBRA" shall have the meaning assigned to it in **Section 6.7** of this Agreement.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Consents" shall have the meaning assigned to it in **Section 3.5** of this Agreement.

"Damages" shall mean all demands, claims, actions or causes of action, assessments, judgments, fines, losses, damages, liabilities, costs and expenses, including, without limitation, interest, penalties, punitive and exemplary damages, costs of investigation, clean-up and remediation and reasonable attorneys' fees and reasonable expenses.

"Determination Date" shall have the meaning assigned to it in **Section 3.4(d)** of this Agreement.

"Disclosure Schedule" means the Disclosure Schedule attached hereto, and forming a part of this Agreement.