

12-11-2009

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To the Director of the U. S. Patent and Trademark Office, documents or the new address(es) below.

12-9-09

1. Name of conveying party(ies):

SABER INDUSTRIES, LLC

- Individual(s)
- General Partnership
- Corporation- State: _____
- Other Limited Liability Company
- Association
- Limited Partnership

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

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

Execution Date(s) November 30, 2009

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: EASTMAN MACHINE COMPANY

Internal

Address: ATTN: Timothy A. McCarthy, Esq.

Street Address: 779 Washington Street

City: Buffalo

State: New York

Country: U.S.A. Zip: 14203

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other _____

Citizenship _____
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)

DEC - 9 2009

#1584354

Additional sheet(s) attached? Yes No

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

Mark: SABER

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

Name: Timothy A. McCarthy

Internal Address: Eastman Machine Company

Street Address: 779 Washington Street

City: Buffalo

State: New York Zip: 14203

Phone Number: 716.856.2201 x207

Fax Number: 716.856.1140

Email Address: tmccarthy@eastmancuts.com

6. Total number of applications and registrations involved:

one

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

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

12/10/2009 DBYRNE 00000004 1584354
Deposit Account Number _____
Authorized User Name _____ 46.00 00

9. Signature:

Signature

November 30, 2009

Date

Timothy a. McCarthy
Name of Person Signing

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

27

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") is dated as of the 20th day of February, 2008, by and between **SABER INDUSTRIES, LLC** ("Seller"); a Tennessee sole member limited liability company having offices at 600 21st North Avenue, Nashville, Tennessee, 37203 and **EASTMAN MACHINE COMPANY** ("Buyer"); a New York corporation with corporate offices at 779 Washington Street, Buffalo, New York, 14203.

WITNESSETH

WHEREAS, Seller is engaged in the business of the design, engineering, manufacture, marketing and sale of motorized and manual cloth spreading machines and related activities (the "Business") and is the owner of certain assets, used in the Business; and

WHEREAS, Seller desires to sell to Buyer and Buyer desires to purchase from Seller substantially all of the assets used in the Business, all on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and mutual representations, warranties and covenants contained herein, the parties agree as follows:

ARTICLE I

PURCHASE AND SALE

1.1 Sale of Assets. At the Closing (as defined in Section 2.1 hereof) and subject to all other terms and conditions of this Agreement, Seller shall sell, assign, transfer and convey to Buyer good and marketable title, free and clear of all liens, liabilities, encumbrances, security interests, claims and other restrictions (collectively, "Liens") in and to all of Seller's assets of every kind and description, tangible and intangible, personal and mixed, wherever located, used in, useful in or relating to the Business, excepting only the Excluded Assets (as hereinafter defined). The assets to be sold by Seller to Buyer pursuant to this Agreement are hereinafter referred to as the "Subject Assets." The Subject Assets shall include, but shall not be limited to, the following:

(a) all assembly fixtures used or useful in the Business including, without limitation, the industrial/production fixtures and wire harness boards and any other custom electrical/mechanical device utilized in fabrication/build cycle of the motorized and manual spreading machines, as identified on Schedule 1.1(a) hereto (the "Assets");

(b) all parts inventory, used or useful in the Business (the "Inventory");

(c) all customer books and records of account, customer and vendor lists, and other operating information relating to the Business as particularly designated at Section 1.1(a) provided seller shall be permitted to retain copies for tax and accounting purposes; and

(d) the name "*Saber*" and any and all variations thereof; except as may be authorized for Seller's use under a licensing agreement hereinafter made between the parties.

1.2 Excluded Assets. Notwithstanding anything else contained in this Agreement, the following assets of Seller shall not be included in the Subject Assets:

(a) the corporate seals, minute books, stock books, general ledger, subsidiary ledgers and tax returns of Seller;

(b) cash and cash equivalents of Seller; and

(c) all accounts receivable of the Seller as of the Closing

(d) All of Seller's furniture, building fixtures, machinery, equipment, (including machine shop equipment and parts bins, all collectively referred to as "FF&E"), raw metals inventory, supplies, real estate, accounts payable, and line of credit (the above are collectively referred to as the "Excluded Assets"),

1.3 Purchase Price and Deposit. In consideration of the sale by Seller to Buyer of the Subject Assets and Seller's performance of this Agreement, Buyer shall pay to Seller the aggregate sum of Four Hundred Fifty Thousand Dollars (\$450,000) (the "Purchase Price") which amount is subject to adjustment pursuant to Section 5.4. Upon execution of this Agreement by Seller and Buyer, but in all events not later than March 17, 2008, Buyer will deposit with Seller's attorneys, Dodson Parker Behm & Capparella, Attorneys At Law ("Dodson Parker"), \$45,000 as an earnest money deposit (the "Deposit"). The Deposit shall be returned by the Seller in the event the transactions contemplated by this Agreement are not consummated for any reason, except for the intentional default in the Buyer in regard to its obligations under this Agreement, and the Agreement shall be considered to be of no further force and effect and the Parties shall have no further rights or claims against each other. The Seller is aware and concedes that the availability of the funds necessary for Buyer's performance under this Agreement are subject to the approval of First Niagara Bank and that should such necessary lending be unavailable by the Closing date such contingency shall not be considered as an intentional default for the purposes of this section and will relieve Buyer of this Agreement.

1.4 No Assumption of Liability. Buyer shall not assume any liability or obligation of Seller or the Business of any nature whatsoever, whether accrued, absolute, contingent or otherwise, all of which shall be paid when due by Seller. However, with respect to any open spreading machine orders acquired by Buyer, such open orders shall include any associated in-process inventory and Buyer shall assume any associated customer deposit liabilities. Buyer and Seller hereby acknowledge that it is their mutual intent and desire that Seller ship all existing open spreading machine orders either prior to closing or in no event later than three weeks subsequent to closing and that if so shipped, such open orders and their related in process inventory shall be excluded from the transaction contemplated herein (See schedule 1.4(a) for a list of orders currently in process that may require additional assembly within the three week period following closing date). In addition, Buyer shall assume any warranty parts and service obligations for machine under warranty at closing (see Schedule 1.4(b) for a listing of "in-force" warranties). Seller agrees to provide remote technical support in the event a warranty claim is filed on a machine listed as "in force" on Schedule 1.4(b), at no cost to Buyer.

ARTICLE II

CLOSING

2.1 Closing. The transactions contemplated by this Agreement shall be consummated at a closing (the "Closing") to be held at the offices of Dodson Parker on the 17th day of March, 2008 (the "Closing Date") or at such other prior time to which the parties might agree.

2.2 Closing Documentation. At the Closing,

(a) Seller will deliver to Buyer:

(i) a duly executed Bill of Sale and Assignment in the form of Exhibit A hereto and such other instruments as Buyer shall request in order to effectively transfer to and vest in Buyer good and marketable title to all of the personal property included among the Subject Assets free and clear of all Liens,

(ii) the duly executed Shareholder Letter required pursuant to Section 5.6;

(iii) the certificate of Seller required pursuant to Section 6.1(d) hereof; and

(iv) such other documents as Buyer may reasonably request.

(b) Buyer will deliver to Seller:

(i) the balance of the Purchase Price in the amount of \$405,000

in cash; and

(ii) the certificate of Buyer required pursuant to Article 7.1

hereof.

2.3 Possession. It is recognized that Buyer shall be entitled to possession of the purchased Assets as of the Closing Date. It is further expressly agreed between Buyer and Seller that as of the Closing, Buyer shall have access to the premises at which the Business is currently located so as to facilitate the removal of all of the Assets from such premises. Seller agrees that Buyer shall be permitted until and including April 4, 2008, at no expense to Buyer, to utilize the premises at 600 21st Avenue North, Nashville, Tennessee, for the purpose of readying the Assets for removal and relocation. It is expressly agreed that Buyer's only obligation in regard to the utilization of the leased premises is that at the time of Closing and in the event Buyer does intend to utilize the premises, then Buyer shall provide Seller with acceptable general liability insurance sufficient so as to protect Seller and Seller's lessor from any claims, damages or liability arising from Buyer's possession of the premises whether such claims, damages or liability relates to damage to property of the Seller or the lessor or others. Such proof of insurance and any premiums for such insurance shall be at the expense of the Buyer. It is expressly agreed that Buyer shall have removed any and all assets purchased through this transaction by April 4, 2008. Buyer acknowledges and understands that any assets which remain at the leased premises after April 15, 2008 shall conclusively be determined to have been abandoned and the Buyer shall have no further right or claim to them.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

3.1 Seller, jointly and severally, represents and warrants to Buyer as follows and acknowledges that Buyer is relying on the accuracy of each such representation and warranty in connection with the acquisition of the Subject Assets:

(a) Corporate Status. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Tennessee and has full power and authority to own, operate and lease its properties as presently and heretofore owned, operated and leased and to carry on its business as now and heretofore conducted.

(b) Authority Relative to Agreement. This execution, delivery and performance of this Agreement and all other certificates, agreements and instruments contemplated hereby (collectively, the "Related Agreements") by Seller and consummation by it of the transactions contemplated hereby and thereby have been duly and effectively authorized by all necessary action, and this Agreement constitutes, and the Related Agreements when executed will constitute, legal, valid and binding obligations of Seller enforceable against it in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, arrangement, or similar laws affecting the rights of creditors generally and subject to the discretion of courts to award equitable remedies.

(c) Effect of Agreement. The execution, delivery and performance of this Agreement and the Related Agreements by Seller and the consummation by it of the transactions contemplated hereby and thereby (i) do not require the filing with, or the consent, waiver, approval, license or authorization of any person, government agency or public or regulatory authority; (ii) do not violate, with or without the giving of notice or the passage of time, any provision of law; (iii) do not conflict with or result in a breach of any Seller's Certificate of Incorporation, as amended or its by-laws, as amended, or any mortgage, deed of trust, license, indenture or other agreement or other instrument, or any order, judgment, decree, statute, regulation or any other restriction of any kind or character, to which any Seller is a party; and (iv) do not result in the creation of any Lien upon any of the property or assets of Seller.

(d) Financial Statements. Copies of 2003 through 2006 federal tax returns with associated supporting schedules, 2007 unaudited balance sheet and income statements, inventory records, and sales histories heretofore delivered by Seller to Buyer, are true and correct in all material respects of the financial position of Seller as of such dates and the results of its operations for such periods, and have been prepared in conformity with Seller's method of accounting for tax purposes applied on a basis consistent with that of similar periods for preceding years.

(e) Title to and Condition of Personal Property. Seller has good and marketable title to all of the Subject Assets and Inventory, subject to no Liens. The Subject Assets are in condition such as they were at the signing of this Agreement and shall be in such condition as of the Closing, reasonable wear and tear for the period between execution of this Agreement and the Closing excepted. Buyer understands that the Subject Assets are being purchased in their "as is" condition without warranty of any kind as to such condition, except as the same affects title.

R. L. Stevens
D. Berezov
D. Berezov

(f) Inventories. The Inventory consists of items of the same quality as have been useable in the ordinary and usual course of the Business. The Inventory is otherwise acquired in its "as is" condition which condition shall be as of Closing the same as at the time of the execution of this Agreement save and excepting for any decrease in quantities as shall be reflected by the adjustment recognized at Article 5.4.

(g) Transactions with Certain Persons. Except for employment relationships in the ordinary course of business, no current or former director, officer, employee or shareholder of Seller has any interest in any property, real or personal, tangible or intangible, used in or pertaining to the Business and there have been no material transactions between the Business and any current or former director, officer, employee or shareholder of any Seller or any affiliate thereof.

(h) Trademarks, Patents and Service Marks. Schedule 3.1(h) hereto contains a brief description of all trademarks, service marks, trade names and patents (whether in force or expired) used by Seller in the Business (collectively referred to as "Proprietary Rights"). The foregoing are not subject to any outstanding licenses, liens, encumbrances, claims or other restrictions or rights of others and there are no pending or threatened challenges to any of the Proprietary Rights. The Business as heretofore conducted does not infringe or constitute, and has not infringed or constituted, an unlawful invasion of any rights of any person and no notice of any such infringement or invasion has been received by any Seller. Seller is not aware of any adverse claims and to the best of seller knowledge and belief, Seller has the right to use free and clear of the claims or rights of others all Proprietary Rights.

(i) Compliance with Law. To Seller's knowledge, the Subject Assets are not in violation of any law, ordinance, regulation, order, license, franchise or permit applicable to them. Buyer expressly acknowledges and accepts the Assets in the "as is" condition and waives any and all claims which might arise from the utilization of any such Assets in the Business of the Buyer.

(j) Books and Records. The books and records of the Business are complete and materially correct and accurately reflect the basis for the financial condition and results of operations of the Business as set forth in the financial statements referred to in Section 3.1(d) hereof.

(k) Finders' Fees. No person acting on behalf of Seller or Shareholder has claims to, or is entitled to, under any contract or otherwise, any payment as a broker, finder or intermediary in connection with the origin, negotiation, execution or consummation of the transactions provided for in this Agreement.

(l) Tax Matters. To Seller's knowledge, Seller has duly filed with the appropriate foreign, federal, state and local governmental agencies all tax returns and reports which are required to be filed, and has paid in full all taxes (including interest and penalties) owed by Seller. Buyer shall have no remedy should it appear that some claim is subsequently made by any governmental agency that a tax which was due has been unpaid unless a claim is asserted against the Buyer.

(m) Labor Matters. To Seller's knowledge, there are no strikes, arbitrations, grievances, other labor disputes or union organizational drives pending or threatened between Seller and any of its employees. Seller is not a party to any union, collective bargaining or other similar agreements. Seller has paid in full all wages,

salaries, commissions, bonuses and other compensation (including severance pay and accrued vacation benefits) for all services performed by its employees. Seller is not liable for any arrears of wages or any payroll taxes or any penalties or other damages for failure to comply with any applicable foreign, federal, state and local laws relating to the employment of labor. Buyer shall have no remedy unless a claim is asserted in the future that the Buyer is for some reason to be liable for an action by the Seller which could constitute a breach of this representation.

(n) Employee Benefit Plans. To Seller's knowledge, Seller does not maintain or contribute to, nor has ever maintained or contributed to, any deferred compensation, pension, profit sharing, thrift, stock bonus, stock option, employee stock purchase, life insurance, health care, sickness or disability plan or other employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Each Plan that is intended to qualify under Section 401(a) or Section 403(a) of the Internal Revenue Code of 1986, as amended ("Code") has been determined by the Internal Revenue Service to so qualify, and does so qualify, and there has been no termination, partial termination or discontinuance of contributions to such Plan. Each Plan is now and at all times has been operated in compliance with all applicable provisions of ERISA and the Code, and all applicable regulations, rulings and announcements issued thereunder. Seller has not ever contributed to any "multiemployer plan" as defined in Section 4002(a)(3) of ERISA and has never withdrawn from any such multiemployer plan, nor has Seller ever maintained or contributed to any employee pension benefit plan subject to Title IV of ERISA or subject to the minimum funding standards of Section 412 of the Code or Section 302 of ERISA. Seller does not provide health benefits to any retiree, other former employee or dependent or spouse of a retiree or other former employee. No Plan nor any fiduciary thereof or other person has engaged in a prohibited transaction described in Section 406 of ERISA or Section 4975 of the Code. Buyer shall have no remedy under this paragraph in the absence of a claim being asserted against the Buyer for an alleged breach by the Seller of this representation. In addition, Buyer agrees that Seller's obligations under any of the foregoing plans will cease as of the Closing of this transaction and that in the event Seller continues to advance any payroll for remaining employees retained by the Buyer, then Buyer shall be obligated to reimburse Seller for any contributions made and Buyer assumes all responsibility for such contributions.

(o) Litigation and Claims. To Seller's knowledge there is no pending or threatened action, suit, proceeding, claim, investigation or notice by or against Seller (whether or not covered by insurance), and there is no outstanding order, notice, writ, injunction or decree of any court, government or governmental agency against or affecting Seller. Buyer shall have no remedy under this provision in the absence of a claim being made against the Buyer.

(p) General Representation and Warranty. Neither this Agreement nor any Schedule or other document furnished by or on behalf of Seller or any Shareholder in connection with this Agreement contains any untrue statement of a material fact or omits to state any material

fact necessary to make the statements contained herein or therein not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

4.1 Buyer represents and warrants to Seller as follows:

(a) Organization. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and has full power and authority to own, operate and lease its properties as presently owned, operated and leased and to carry on its business as now and heretofore conducted.

(b) Authority Relative to Agreement. The execution, delivery and performance of this Agreement and consummation by it of the transactions contemplated hereby and thereby have been duly and effectively authorized by all necessary corporate action, and this Agreement constitutes and when executed will constitute, a legal, valid and binding obligation of Buyer enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, arrangement, or similar laws affecting the rights of creditors generally subject to the discretion of courts to award equitable remedies.

(c) Effect of Agreement. The execution, delivery and performance of this Agreement by Buyer and the consummation by it of the transactions contemplated hereby (i) do not require the filing with, or the consent, waiver, approval, license or authorization of, any person, government agency or public or regulatory authority, other than as have been previously obtained; (ii) do not violate, with or without the giving of notice or the passage of time, any provision of law applicable to Buyer; and (iii) do not conflict with or result in a breach of Buyer's Certificate of Incorporation or its by-laws or any mortgage, deed of trust, license, indenture, or other agreement or instrument or any order, judgment, decree, statute, regulation or any other restriction of any kind or character to which Buyer is a party or by which Buyer or any of its assets may be bound or give to others any right to terminate, or result in termination of any provision of such instruments.

(d) Finders' Fees. No person acting on behalf of Buyer has claims to, or is entitled to under any contract or otherwise, any payment as a broker, finder or intermediary in connection with the origin, negotiation, execution or consummation of the transactions provided for in this Agreement.

ARTICLE V

CERTAIN COVENANTS OF SELLER

5.1 Conduct of Business Pending Closing. From the date of this Agreement to the Closing Date:

(a) Negative Covenants. Except as otherwise expressly provided by this Agreement, or as Buyer may otherwise consent to in writing, Seller shall not use the Subject Assets in any manner which would be inconsistent with its past practice or engage in any transaction which would be inconsistent with the terms of this Agreement or which would render inaccurate as of the Closing Date any of the representations and warranties set forth in Article III as if such representations and warranties were made at and as of the Closing Date.

(b) Access to Information. Seller shall afford Buyer and its representatives full access, during normal business hours and upon reasonable notice, to the Subject Assets and all related books, records, and agreements and shall furnish to buyer and its representatives such information regarding the Subject Assets as Buyer may reasonably request. The investigation by Buyer and furnishing of information to Buyer shall not affect the right of Buyer to rely on the representations, warranties, covenants and agreements of Seller in this Agreement.

5.2 Consents of Others. Prior to the Closing, Seller shall obtain, and to the extent necessary shall fully cooperate with Buyer to assist Buyer's efforts to obtain all authorizations, consents and permits of others required to permit the consummation of the transactions contemplated by this Agreement.

5.3 Change in Representations and Warranties. In the event that Seller learns that any of the representations or warranties of Seller contained in or referred to in this Agreement is or will become inaccurate, it shall give immediate detailed written notice thereof to Buyer.

5.4 Change in Inventory. Seller represents that the value of the Inventory as of the date of this Agreement is substantial and verily anticipates that, while continuing to operate the business until the Closing, the value of the Inventory transferred to Buyer will be greater than or equal to \$89,047.39. Should, however, it be determined at closing that such value of the Inventory, the title to which is to be transferred to Buyer is less than \$89,047.39, when valuation is performed based Seller's current costing records, then, in such event, Seller will grant and Buyer shall receive a credit against the purchase price at closing equal to the difference between

the value of the Inventory determined at closing and \$89,047.39. The valuation contemplated by this Article shall have been concluded not later than twenty-four (24) hours prior to the date set for Closing.

The following open spreading machine orders are in-process as of the date of this agreement.:

1. Order No.1144779 - Williamson Dickie: C-1650-72-RH-196
2. Oder No. 1144808 - Williamson Dickie: C-1650-72-RH-197
3. Order No.1144809 - Williamson Dickie: C-1650-72-RH-198
4. Order No. 1144790 - Globe Firefighters Suites: Select-66-RH-5034

Buyer and Seller agree that Seller shall complete the above referenced Williamson Dickie orders No's 1144779, 1144808, and 1144809, and such orders shall not be acquired by Buyer. Seller agrees to complete final assembly and installation of these orders as quickly as reasonably possible but in any event no later than April 4, 2008.

Buyer and Seller agree that if the Globe Firefighters Suites order No. 144790 is not completed within three weeks subsequent to closing, Buyer shall acquire such order and the value of the inventory transferred shall be adjusted to include the summation of; (1) the in-process inventory associated with such order, less (2) any customer deposit liabilities for such order, plus (3) 50% of amounts not yet invoiced (selling price less customer deposits) for such orders.

5.5 Name Change. Within thirty (30) days following the closing, Seller will file with the Tennessee Department of State an appropriate Change of Name with respect to Seller or a Certificate of Dissolution for the purpose of dissolving Seller; provided, however, that if such sale is not completed before the expiration of six (6) months following the Closing Date, Seller will immediately file with the Tennessee Department of State an appropriate Certificate of Amendment of the Certificate of Incorporation changing its name so as not to include the words "*Saber*" or any variation thereof. Pending completion of such dissolution or name change, Seller will not use the name or any variation thereof except as necessary to wind up its affairs.

5.6 Sole Member Letter. At the Closing, Seller shall cause the Sole Member to execute and deliver to Buyer a letter in the same form as Exhibit B hereto, pursuant to which the Sole Member shall agree (i) to guarantee certain obligations of Seller under this Agreement, and (ii) not to compete with the Business as the same is defined by non-compete provisions set out at Article 9 hereof, for a period of three (3) years following the Closing.

ARTICLE VI

CONDITIONS TO OBLIGATION OF BUYER TO CONSUMMATE CLOSING

6.1 Conditions. The obligation of Buyer under this Agreement to consummate the Closing is subject to the conditions that:

(a) Covenants, Representations and Warranties. Seller shall have performed all obligations and agreements and complied with all covenants contained in this Agreement to be performed and complied with by each of them prior to or at the "Closing Date". The representations and warranties of Seller set forth in this Agreement shall be accurate in all respects, at and as of the date made and also at and as of the Closing Date, with the same force and effect as though made on and as of the Closing Date.

(b) No Adverse Change. There shall have been in the good faith judgment of Buyer, no material adverse change in the condition of the Subject Assets since the date of this Agreement subject to the right of the Seller to continue at its election, the operation of the Business in the ordinary course.

(c) Consents. Buyer shall be assured that all consents, permits, licenses and governmental and official authorizations necessary for Buyer to consummate the transactions contemplated by this Agreement have been obtained and will be in effect.

(d) Certificates. Buyer shall have received a certificate executed by an officer of Seller, dated the Closing Date, in the same form and on the same terms as Exhibit C hereto.

(f) Buyer acknowledges and affirmatively represents that it has caused to be made an inspection of the Assets being acquired under this Agreement and that no further inspections or investigations are necessary except as to determine the value of inventory at closing as described at Section 5.4.

ARTICLE VII

CONDITIONS TO OBLIGATIONS OF SELLER TO CONSUMMATE CLOSING

7.1 Conditions. The obligations of Seller under this Agreement to consummate the Closing are subject to the conditions that Buyer shall have performed all obligations and agreements and complied with all covenants contained in this Agreement to be performed and complied with by Buyer prior to or at the Closing and the representations and warranties of Buyer set forth in Article IV shall be accurate in all

respects, at and as of the Closing Date, with the same force and effect as though made on and as of the Closing Date. In addition Seller shall have received a certificate executed by an officer of Buyer, dated the Closing Date, in the same form and on the same terms as Exhibit D.

ARTICLE VIII

TERMINATION

8.1 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) Mutual Consent. Upon the mutual consent of all parties hereto;

(b) Adverse Proceedings. By any party hereto if any order to restrain, enjoin or otherwise prevent the consummation of this Agreement or transactions contemplated hereby shall have been entered or, on the Closing Date, there is any pending litigation in any court, or any proceeding by or before any governmental body, with a view to seeking to restrain or prohibit consummation of this Agreement or in which damages are sought in connection with this Agreement, or if any investigation by any governmental body is pending or threatened which might result in any such litigation or other proceeding;

(c) Conditions to Buyer's Obligations. By Buyer if any of the conditions provided in Article VI hereof shall not have been satisfied, complied with or performed in any respect on or before the Closing Date, or the financing to fund this acquisition is not available as herein provided, and Buyer shall not have waived in writing such failure or satisfaction, non-compliance or non-performance.

(d) Conditions to Seller's Obligations. By Seller if any of the conditions provided in Article VII hereof shall not have been satisfied, complied with or performed in any respect on or before the Closing Date and Seller has not waived in writing such failure of satisfaction, non-compliance or non-performance;

(e) Termination Date. By Seller if the Closing shall not have occurred by April 4, 2008 through no fault of Seller.

8.2 Fulfillment of Conditions. Each party hereto will use all commercially reasonable efforts to cause the fulfillment of all conditions to Closing set forth in this Agreement.

ARTICLE IX

NON-COMPETITION AND NON-DISCLOSURE

9.1 Non-competition and Non-disclosure. Following the Closing Date and for three (3) years thereafter, Seller and its shareholders agree not to:

(a) engage or become interested, directly or indirectly, as owner, employee, partner, through stock ownership (except ownership of less than one percent (1%) of the number of shares outstanding of any securities which are listed for trading on any securities exchange), investment of capital, lending of money or property, rendering of services, or otherwise, whether alone or in association with others, in the operation of any motorized or manual cloth spreading machines business or Related Activities, as defined in Section 9.6, anywhere in the United States of America or the Dominion of Canada; or

(b) induce or attempt to induce any customer of Buyer to reduce such customer's patronage of Buyer; or

(c) solicit any of the employees of Buyer to leave the employ of Buyer.

9.2 Name. Following the Closing Date, Seller shall not use the name *Saber* or any variation thereof in any business or enterprise, except as permitted in Section 5.5 and a licensing agreement that might be hereafter negotiated by the parties.

9.3 Equitable Remedies. Seller specifically acknowledges and agrees that the remedy at law for any breach of any provision of this Article IX will be inadequate and that Buyer, in addition to any other relief available to it, shall be entitled to temporary and permanent injunctive relief without the necessity of proving actual damage.

9.4 Severability. If any provision in this Article IX shall for any reason be held to be excessively broad as to any activity or subject, it shall be construed, by limiting and reducing it, to be enforceable to the extent compatible with the applicable law. If any provision in this Article IX shall, notwithstanding the preceding sentence, be held illegal or unenforceable, such illegality or unenforceability shall not affect any other provision of this Article IX but this Agreement shall be construed as if such illegal or unenforceable provision had never been contained herein.

9.5 No Waiver. The rights of Buyer and obligations of Seller set forth in this Article IX are in addition to, and not in lieu of, all other rights and obligations provided by applicable law.

9.6 Related Activities. Activities related to the motorized or manual cloth spreading machines business ("Related Activities") include the following:

- (a) Cutting tables
- (b) Cutting knives
- (c) Loading systems
- (d) Blades for cutting knives
- (e) Manual spreading machine and parts therefore
- (f) Motorized spreading machines and parts therefore
- (g) Other cutting room equipment, parts and supplies
- (h) Machine shop services for cutting room equipment
- (i) Circuit board design assembly and repair for cutting room equipment

Excluded from Related Activities are:

- (a) Inspection systems
- (b) Electric buss-ways
- (c) Sewing room equipment parts and supplies
- (d) Machine shop services for non cutting room equipment
- (e) Circuit board design assembly and repair for non cutting room equipment
- (f) All other activities

ARTICLE X

SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS AND INDEMNIFICATION

10.1 Survival. The representations and warranties, covenants, agreements and obligations of the parties hereto shall survive the Closing.

10.2 Indemnification.

(a) Subsequent to Closing, Seller hereby agrees to indemnify and hold harmless Buyer from and against any and all damages, claims, liabilities, losses, costs, and expenses whatsoever (including attorney's fees) arising out of, attributable to, resulting from, or incurred with respect to (i) any breach of warranty or misrepresentation by or on behalf of any Seller under this Agreement, any Schedule hereto or any Related Agreement, or the breach or non-performance of any covenant, agreement, or obligation to be performed by the Seller; (ii) any misrepresentation in, or omission from, any certificate or instrument executed and delivered or to be executed and delivered by or on behalf of the Seller in connection with this Agreement; or (iii) any liability or obligation of any nature of Seller or arising from Seller's ownership or use of the Subject Assets or operation of the Business.

(b) Limitation. Buyer must not assert a claim against Seller based upon a breach of the representations contained in Article III after the first anniversary of the Closing Date unless Buyer shall have notified Seller in writing of such breach prior

to the first anniversary of the Closing Date; provided however, that such one (1) year limitation shall not apply to a claim based upon a breach of Seller's representations as to warranty of title contained in Section 3.1(e) of this Agreement, which may be asserted any time after the Closing.

10.3 Buyer's Indemnification. Subsequent to Closing, Buyer shall indemnify and hold harmless Seller from and against any and all damages, claims, liabilities, losses, costs and expenses whatsoever (including attorneys' fees) arising out of, attributable to, resulting from, or incurred with respect to (i) any breach of warranty or misrepresentation by or on behalf of Buyer under this Agreement, or the breach or non-performance of any covenant, agreement or obligation to be performed by Buyer; or (ii) Buyer's obligations, if any, arising from events or circumstances occurring after the Closing under any existing labor agreement.

10.4 Indemnification Procedure. In the case of a claim asserted by a third party against a party entitled to indemnification under this Agreement, written notice shall be given by the indemnified party to the party required to provide the indemnification immediately upon knowledge in the indemnified party of the claim as to which indemnity is sought. Indemnifying party shall appoint counsel of its choosing to defend against any such claim and if the indemnified party chooses to participate in such defense then such shall be at the expense of the indemnified party.

ARTICLE XI

MISCELLANEOUS

11.1 Entire Agreement. This Agreement constitutes the entire Agreement and supersedes all prior agreements and understandings, both written and oral, between the parties hereto with respect to the subject matter hereof and no party shall be liable or bound to the other in any manner by any warranties, representations, covenants or agreements except as specifically set forth herein or expressly required to be made or delivered pursuant hereto.

11.2 Modifications. Any amendment, change or modification of this Agreement shall be void unless in writing and signed by all parties hereto.

11.3 Further Assurances. From time to time after the Closing Date, Seller will execute all such instruments and take all such actions as Buyer shall reasonably request in order more effectively to convey and transfer all of the Subject Assets to Buyer. Seller and Buyer shall also execute and deliver to the appropriate other party such other instruments as may be reasonably required in connection with the performance of this Agreement and each shall take all further actions as may be reasonably required to carry out the transactions contemplated by this Agreement.

11.4 Binding Effect and Benefits. This Agreement shall be binding upon and shall inure to the benefit of Buyer, Seller and their respective successors, permitted assigns, transferees and legal representatives. This Agreement shall not be assignable by any party hereto except the Buyer may assign this Agreement to a wholly-owned subsidiary corporation.

11.5 Expenses. Except as otherwise specifically provided in this Agreement, Seller, on the one hand and Buyer, on the other hand shall each bear and pay all costs and expenses respectively incurred by each of them in connection with this Agreement, including, without limitation, fees and expenses of their own financial consultants, accountants and counsel.

11.6 Knowledge. The knowledge of any officer, director or shareholder of Seller shall be deemed to be knowledge of Seller.

11.7 Notices. Any notices or other communications required or permitted to be given pursuant to this Agreement shall be deemed to have been given if in writing and delivered personally or sent by certified mail, postage prepaid, addressed as follows:

(a) To Buyer:

Eastman Machine Company
779 Washington Street
Buffalo, New York 14203
Attn: Mr. Steven F. Calzi

With a copy to:

Eastman Machine Company
779 Washington Street
Buffalo, New York 14203
Attn: Timothy A. McCarthy, Esq.

(b) To Seller:

Saber Industries, LLC
600 21st Avenue North
Nashville, Tennessee 37203
Attn: Mr. David A. Berezov

With a copy to:

Dodson Parker Behm & Capparella
Attorneys At Law
300 Gay Street Suite 400
Nashville, Tennessee 37201

or such other addresses as shall be furnished in writing by any party to the other parties.


11.8 Headings. The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meanings hereof.

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

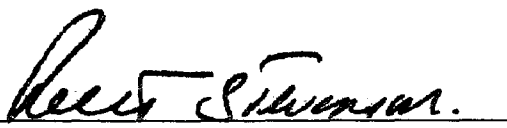
11.10 Governing Law. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Tennessee without regard to principles of conflicts of law.

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

SABER INDUSTRIES, LLC

By: 
David A. Berezov

EASTMAN MACHINE COMPANY

By: 
Robert L. Stevenson

INDEX OF EXHIBITS AND SCHEDULES

Exhibit A	Form of Bill of Sale
Exhibit B	Form of Shareholder's Letter
Exhibit C	Form of Officer's Certificate
Exhibit D	Form of Officer's Certificate
Schedule 1.1(a)	Assets
Schedule 1.4(a)	Potential Open Orders at Closing Date
Schedule 1.4(b)	Machines Currently Under Warranty
Schedule 3.1(h)	Trademarks & Patents

EXHIBIT A

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that pursuant to the Asset Purchase Agreement by and between **SABER INDUSTRIES**, a Tennessee limited liability company, ("Seller"), and **EASTMAN MACHINE COMPANY**, a New York corporation, ("Buyer"), dated as of February 20, 2008 (the "Asset Purchase Agreement"), and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller does hereby grant, bargain, sell, convey, transfer, assign, and deliver to Buyer, its successors and assigns, free and clear of all liens, liabilities, claims, restrictions, encumbrances and security interests, all of its rights in and title to all personal property included in the "Subject Assets" as defined in Section 1.1 of the Asset Purchase Agreement, including, without limitation, the following:

(a) all parts inventory, - used or useful in the Business;

(b) all assembly fixtures used or useful in the Business including, without limitation, the assets identified on Schedule 1.1(a) hereto;

(c) all customer books and records of account, customer and vendor lists, and other operating information relating to the Business;

(d) all of Seller's rights, title and interest to and in the name "*Saber*" and any and all variations thereof.

TO HAVE AND TO HOLD UNTO BUYER, ITS SUCCESSORS AND ASSIGNS FOREVER.

Seller hereby covenants to execute and deliver to Buyer such additional bills of sale and instruments of transfer as Buyer may deem necessary or appropriate to evidence Buyer's ownership of any of the Subject Assets or the conveyance of the Subject Assets to Buyer provided that such bills of sale and instruments of transfer are consistent with the terms of the Purchase Agreement and this Bill of Sale.

Except as specifically provided in the Purchase Agreement at Section 1.5, Buyer does not and shall not, by this Bill of Sale or otherwise, assume or become responsible for or subject to any liability or obligation of Sellers of any nature, whether accrued, absolute, contingent or otherwise.

This Bill of Sale is made in accordance with and subject to all the terms and conditions of the Purchase Agreement. All capitalized items not defined herein shall be as defined in the Purchase Agreement.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale and Assignment Agreement to be executed this 17th day of MARCH, 2008,

SABER INDUSTRIES, LLC

By: David A. Berezov
David A. Berezov

EASTMAN MACHINE COMPANY

By: Steven F. Calzi
Robert L. Stevenson STEVEN F. CALZI

EXHIBIT B

March 17, 2008

Eastman Machine Company
779 Washington Street
Buffalo, New York 14203
Attn: Robert L. Stevenson

Sir:

Reference is made to that certain Asset Purchase Agreement (the "Agreement"), dated February 20, 2008 by and between SABER INDUSTRIES, LLC (the "Seller") and EASTMAN MACHINE COMPANY (the "Buyer"). Unless otherwise defined herein or the context otherwise requires, all capitalized terms used herein have the same meaning as in the Agreement. This letter is delivered to you pursuant to Section 5.6 of the Agreement.

As an essential inducement to Buyer's consummation of the transactions contemplated by the Agreement, and in consideration of the Purchase Price, the Sole Member hereby agrees as follows:

1. The Sole Member agrees to indemnify and hold Buyer harmless from and against any losses, costs and expenses whatsoever (including attorney's fees) arising out of, attributable to, resulting from or incurred with respect to (i) any breach of Seller's representations as to warranty of title contained in Sections 3.1(e) of the Agreement; or (ii) any liability or obligation of any nature of Seller's or arising from Seller's ownership or use of the Subject Assets or operation of the Business; provided however that any such indemnity shall be limited as would a claim against Seller under 10.2(b) of the Agreement.
2. The Sole Member agrees to be bound by the non-competition and non-disclosure covenants contained in Article IX of the Agreement to the same extent as the Sellers, as though such covenants are fully recited herein.

Very truly yours,


David A. Berezov

SCHEDULE 1.1(a) – ASSETS

Parts inventory
In-process machine inventory, if any, on hand three weeks post closing
Finished goods inventory - if any at closing
Unperformed sales orders, if any, on hand three weeks post closing
Saber trademark
Patents
Customer lists w/contacts
Finder lists
Service Tech List
Open quotations
Vendor lists
Machine sales history
Standard bills of materials (1989+)
As-built bills of material - (1989+)
Parts / assembly manuals
Parts drawings (cad and ink) and specifications
Spreading machine operating code and associated hardware
Molds for covers
Marketing literature
Customer deposit liability, if any, on hand three weeks post closing
Industrial/Production Fixtures
Wire Harness Boards
Any other custom electrical/mechanical device utilized in fabrication/build cycle of motorized and manual spreading machines

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SCHEDULE 1.4(a) – ORDERS THAT MAY BE COMPLETED IN THE TWO WEEK PERIOD FOLLOWING THE CLOSING DATE

1. Williamson Dickie: C-1650-72-RH-196
2. Williamson Dickie: C-1650-72-RH-197
3. Williamson Dickie: C-1650-72-RH-198
4. Globe Firefighters Suites: Select-66-RH-5034

SCHEDULE 1.4(b) – MACHINES CURRENTLY UNDER WARRANTY

YEAR	CUSTOMER	TYPE MACH.	SER. NO	SELLING VALUE	Ship DATE	WARRANTY	STATUS
2007	BONY	C250	189	43,500	3/9/2007	6 mths parts - 1 shft/day	Expired
	COBBLESTONE	C250	191	51,000	7/16/2007	6 mths parts - 1 shft/day	Expired
	BLACKHAWK	SELECT- MANUAL	5031	13,500	8/6/2007	6 mths parts - 1 shft/day	Expired
	KNOX COUNTY ARC WILLIAMSON	C250	192	52,000	7/26/2007	12 mths parts - 1 shft/day	In Force
	DICKIE WINSTON SALEM	C1650	193	77,739	9/5/2007	12 mths parts - 1 shft/day	In Force
	IND/BLIND	C250	194	64,298	10/4/2007	6 mths parts - 1 shft/day	In Force
	WILIAMSON DICKIE SPEC/APPAREL	C1650	195	76,635	12/10/2007	12 mths parts - 1 shft/day	In Force
	BRANDS SPEC/APPAREL	SELECT	5032	31787	11/14/2007	6 mths parts - 1 shft/day	In Force
	BRANDS	SELECT	5033	31,787	11/14/2007	6 mths parts - 1 shft/day	In Force
	2008	WILLIAMSON DICKIE	C1650	196	75,000	In Process	12 mths parts - 1 shft/day
WILLIAMSON DICKIE		C1650	197	75,000	In Process	12 mths parts - 1 shft/day	Pending
WILLIAMSON DICKIE		C1650	198	75,000	In Process	12 mths parts - 1 shft/day	Pending
GLOBE FIREFIGHTERS		SELECT	5034	30,790	In Process	6 mths parts - 1 shft/day	Pending

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SCHEDULE 3.1(h)

Trademarks, Patents or Service Mark.

Sellers have no registered Trade Marks, Service Marks or Logos other than "Saber".

Trademarks:	Registration / Patent Number	Status
Saber	1584354	In Force
Spreader Intelligence	2018335	Expired
Master	1590568	In Force
Courier	1053536	Expired
Greyhound	931337	Expired
Mustang	931338	Expired
Rebel	931340	Expired
Samson	931339	Expired
Trakker	1436215	Canceled

Patents:	Registration / Patent Number	Status
Control System for a Cloth Spreading Machine	5826868	Expired
Variable Belt Cradle Roll Support	5029827	Expired
Belt Feed Apparatus for a Cloth Spreading machine	4477065	Expired
Catcher Mechanism for cloth Spreading Machine	3464689	Expired
Catcher Mechanism for cloth Spreading Machine II	3768799	Expired
Cloth Feed control For Spreading Machine	3684273	Expired
Cloth Roll Carrier	3460774	Expired
Cloth Spreader	3400927	Expired





Word Mark SABER

Goods and Services IC 009. US 021. G & S: ELECTRICAL CONTROL BOXES AND ELECTRONIC CIRCUIT BOARDS. FIRST USE: 19890310. FIRST USE IN COMMERCE: 19890310

IC 007. US 023. G & S: CLOTH SPREADING MACHINES AND REPLACEMENT AND REPAIR PARTS AND ATTACHMENTS FOR CLOTH SPREADING MACHINES; INDUSTRIAL SEWING MACHINES AND REPLACEMENT AND REPAIR PARTS FOR INDUSTRIAL SEWING MACHINES; CUTTING ROOM EQUIPMENT, NAMELY, TRANSFER TABLES AND CUTTING KNIVES (A CUTTING TOOL INCLUDING A RECIPROCATING KNIFE FOR CUTTING PATTERNS IN LAYERS OF FABRIC), AND REPLACEMENT AND REPAIR PARTS FOR CUTTING KNIVES. FIRST USE: 19890310. FIRST USE IN COMMERCE: 19890310

Mark Drawing Code (3) DESIGN PLUS WORDS, LETTERS, AND/OR NUMBERS

Design Search Code 23.01.01 - Epees; Foils; Rapiers; Sabers; Swords

Serial Number 73811886

Filing Date July 11, 1989

Current Filing Basis 1A

Original Filing Basis 1A

Published for Opposition December 5, 1989

Registration Number 1584354

Registration Date February 27, 1990

Owner (REGISTRANT) SABER INDUSTRIES, INC. CORPORATION
TENNESSEE P.O. BOX 99 NASHVILLE TENNESSEE 37203


(LAST LISTED OWNER) SABER INDUSTRIES, LLC SOLE

EXHIBIT C

OFFICER'S CERTIFICATE

The undersigned is a duly appointed officer of the within Seller, Saber Industries, LLC, and represents that he has been directed by a member's resolution of the company adopted at a duly called meeting of such member at which a sufficient majority was present, consistent with the by-laws of the company, to consider and vote on such matter, to execute and deliver documents sufficient and appropriate to consummate the transactions contemplated by this Asset Purchase Agreement.

The undersigned further represents that his execution of this Asset Purchase Agreement and its ancillary documents this 17 day of March, 2008 is consistent with and in furtherance of the vote of said member in adopting the empowering resolution.


David A. Berezov, President and
Chief Executive Officer