

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Hartford Computer Group, Inc.		03/17/2005	CORPORATION: ILLINOIS
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Impero Electronics, Inc.		
<b>Street Address:</b>	105 Prairie Lake Road		
<b>City:</b>	East Dundee		
<b>State/Country:</b>	ILLINOIS		
<b>Postal Code:</b>	60118		
<b>Entity Type:</b>	CORPORATION: ILLINOIS		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	2045429	VISIONTEK	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(847)726-9004		
<b>Phone:</b>	847-726-9000		
<b>Email:</b>	sileslaw@comcast.net		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
<b>Correspondent Name:</b>	Aladar F. Siles		
<b>Address Line 1:</b>	470 Oakwood Road		
<b>Address Line 4:</b>	Lake Zurich, ILLINOIS 60047		
<b>NAME OF SUBMITTER:</b>	Aladar F. Siles		
<b>Signature:</b>	/Aladar F. Siles/		
<b>Date:</b>	12/01/2011		

OP \$40.00 2045429

Total Attachments: 24

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**ASSET ACQUISITION AGREEMENT**  
by and among  
**HARTFORD COMPUTER GROUP, INC.,**  
**IMPERO ELECTRONICS, INC.,**  
**ARGUS CAMERA COMPANY, LLC AND VISIONTEK PRODUCTS, LLC**

**Parties**

Hartford Computer Group, Inc. ("**HCG**")  
Impero Electronics, Inc. ("**Impero**")  
Argus Camera Company, LLC ("**Argus**")  
VisionTek Products, LLC ("**VisionTek**")

**Acquisition Documents**

*All documents by and between HCG, Impero, Argus and VisionTek,  
dated March 17, 2005, unless otherwise noted.*

<b><u>Document</u></b>	<b><u>Tab No.</u></b>
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**TRADEMARK**  
**REEL: 004669 FRAME: 0929**

## ASSET ACQUISITION AGREEMENT

This **ASSET ACQUISITION AGREEMENT** ("Agreement") is made and effective as of March 17, 2005, by and between **HARTFORD COMPUTER GROUP, INC.**, an Illinois corporation ("**HCG**" or "**Seller**"), and **IMPERO ELECTRONICS, INC.**, an Illinois corporation ("**Purchaser**").

### RECITALS

A. HCG is engaged in the business of repairing computers and computer related products and the sales of computers and other products to its customers. HCG currently operates a number of divisions, including, but not limited to, its Argus, VisionTek, Nexicore, Surplus Village, HTS, Hardware and Software divisions.

B. Purchaser desires to purchase, and Seller is willing to sell, subject to the terms set forth in this Agreement, the assets of Seller relating solely to the VisionTek and Argus divisions of the Company. The Argus and VisionTek divisions of HCG are referred to collectively herein as the "**Business**."

**NOW THEREFORE**, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller agree as follows:

### 1. DEFINITIONS

- 1.1. "**Assumed Accounts Payable**" means those amounts due, as of the Closing Date in respect of goods and services received by Seller, but only those listed on Schedule 4.1(f).
- 1.2. "**Lien**" means any lien, mortgage, pledge, security interest, charge, easement, option, defect in title, claim, community property interest, condition, equitable interest, right of first refusal or any other restriction or encumbrance of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.
- 1.3. "**Measurement Date**" means 5:00 p.m. Central Standard Time on March 11, 2005.
- 1.4. "**Ordinary Course of Business**" means an action taken by a party if such action is consistent with the past practices of such party (including with respect to quantity and frequency) and is taken in the ordinary course of the normal day-to-day operations of such party.

## 2. PURCHASE AND SALE OF ASSETS OF THE BUSINESS

2.1. Purchase and Sale of Assets. Subject to the terms and conditions of this Agreement, Seller shall, on the Closing Date, sell, transfer, convey and assign to Purchaser, free and clear of all Liens, all of Seller's right, title and interest in and to the assets set forth below (all of the foregoing assets (except for the Excluded Assets) to be purchased by Purchaser pursuant to this Agreement being collectively referred to herein as the "**Purchased Assets**"):

- (a) The trade and other accounts receivable of the Business existing as of the Closing Date and all books, records and computer data relating thereto and all other rights relating thereto, including, without limitation, all returned goods and proceeds and products of all of the foregoing (collectively, the "**Accounts Receivable**"). A true and accurate listing of Accounts Receivable as of the Measurement Date is set forth in Schedule 2.1(a) attached hereto;
- (b) Lists of customers and suppliers that relate to the Business; provided, however, that Purchaser acknowledges that such lists are transferred on a non-exclusive basis and Seller will retain and use copies of such lists;
- (c) All inventories of the Business, including, but not limited to supplies, packaging materials, parts, raw materials, work-in-process, defective goods and finished goods (collectively, the "**Inventory**"), on hand or in transit on the Closing Date. A true and accurate listing of the Inventory as of the Measurement Date, is set forth in Schedule 2.1(c) attached hereto;
- (d) All the personal property of Seller as of the Closing Date that is utilized solely in connection with the Business, including but not limited to, personal property, computers, computer systems and software, tools, parts, equipment listed on Schedule 2.1(d), which Schedule 2.1(d) shall also include the book value of all such personal property as of the Closing Date;
- (e) All samples, prototypes, models, forms and designs utilized solely in connection with the Business;
- (f) All right, title and interest of Seller in and to all patents, trademarks, logos, trade names, service marks, copyrights, inventions, processes, marketing materials and all other intellectual property utilized solely in connection with the Business (the "**Intellectual Property**");

- (g) Seller's promotional materials, catalogs and marketing brochures utilized solely in connection with the Business;
- (h) To the extent transferable, all licenses, permits, certificates of occupancy or use and other governmental approvals utilized solely in connection with the operation of the Business;
- (i) All rights and claims against third parties in respect of the Purchased Assets, including, without limitation, all rights under express or implied warranties from vendors and suppliers; and
- (j) To the extent assignable, all rights under agreements and contracts which Buyer is assuming hereunder.

2.2. Excluded Assets. Notwithstanding anything contained in Section 2.1 to the contrary, Seller is not selling, assigning, transferring or conveying to Purchaser, and there shall be excluded from the transactions contemplated by this Agreement, the following assets, rights and properties (the "**Excluded Assets**");

- (a) Any and all cash and cash equivalents;
- (b) All taxes prepaid by Seller related to the Business, and all refunds and rights to refunds for taxes paid;
- (c) The organizational documents, minutes and tax returns of Seller and any documentation necessary for the preparation of any such tax returns or the defense of any tax examinations;
- (d) Any and all pension, retirement, profit-sharing, 401(K) or other employee benefit plans of Seller and any assets held in or for such benefit plans ("**Employee Plans**"), it being understood that, following the Closing Date, the participation of employees of Seller employed by the Business in all of the Employee Plans will be terminated to the extent permitted by law and the terms of the Employee Plans;
- (e) Any and all assets, rights and properties which are not used solely in connection with the Business; and
- (f) All rights under this Agreement and the documents and instruments delivered pursuant to this Agreement.

### 3. PURCHASE PRICE

#### 3.1. Purchase Price for Purchased Assets.

- (a) As consideration for the Purchased Assets, Purchaser's purchase price (the "**Purchase Price**") shall be an amount equal to the sum of (i) the recorded book value of Accounts Receivable as of the Closing Date, net of any discounts or reserves for marketing development funds and cooperative advertising, as reflected on the books and records of Seller, plus (ii) the cost of the Inventory on hand and in transit as of the Closing Date, as then reflected on the books and records of Seller, minus (iii) the amount of Assumed Accounts Payable as reflected on the books and records of Seller, plus (iv) the amount, if negative, of the Interim Period EBITDA. For purposes of this Agreement, "**Interim Period EBITDA**" shall mean an amount equal to earnings of the Business before interest, income taxes, depreciation and amortization expenses, with each component determined in accordance with GAAP, for the period beginning on March 1, 2005 and ending on the Closing Date.
- (b) The Purchase Price shall be paid in accordance with the following terms:
- i. For purposes of the Closing, the Seller shall prepare a Closing Statement (the "**Closing Statement**") which sets forth Seller's estimate of the Purchase Price (the "**Estimated Purchase Price**") based upon the financial information of the Seller with respect to the Business as of the Measurement Date. A copy of the Closing Statement is attached hereto as Exhibit A.
  - ii. On the Closing Date, Purchaser shall make a cash payment to Seller in immediately available funds in the amount of \$3,934,182.00 (the "**Closing Cash Payment**"), which amount shall be equal to: (a) 82% of eligible Accounts Receivable (as determined pursuant to Purchaser's credit agreement with its principal lender) as of the Measurement Date; plus (b) 50% of eligible Inventory (as determined pursuant to Purchaser's credit agreement with its principal lender) as of the Measurement Date; minus (c) an amount equal to the amount of the Assumed Accounts Payable; plus (d) the amount, if negative, of the estimated Interim Period EBITDA; and
  - iii. The remainder of the Purchase Price shall be evidenced by a promissory note in the amount of \$2,005,096.00 issued by

Purchaser to Sellers in the form of a note attached hereto as Exhibit B (the "Seller Note").

3.2. Settlement of Purchase Price.

- (a) As soon as practicable after the Closing Date, but no later than sixty (60) days after the Closing Date, Seller shall prepare or cause to be prepared and delivered to Purchaser a schedule setting forth the calculation of the Purchase Price as of the Closing Date (as finally determined as provide herein, the "Final Purchase Price"), which schedule shall include a schedule setting forth the Interim Period EBITDA and be accompanied by updated Schedules 2.1(a), 2.1(c) and 4.1(f) of Accounts Receivable, Inventory and Assumed Accounts Payable as of the Closing Date (the "Settlement Amount Statement"). Purchaser shall review the Settlement Amount Statement, and, in connection therewith, Purchaser and its accountants and representatives will, upon prior, be given access to Seller's books and records during reasonable business hours for the purpose of verifying the Settlement Amount Statement. Purchaser, its accountants and its representatives will review such information in a manner that does not unreasonably interfere with Seller's operation of the Business.
- (b) Any computed difference between the Estimated Purchase Price and the Final Purchase Price so computed shall be paid in cash to the party entitled thereto within ten (10) business days following the date on which the Settlement Amount Statement has become final and binding as provided in this Section 3.2.
- (c) The Settlement Amount Statement shall be deemed final upon the earliest of (i) the date on which Seller and Purchaser agree that the Settlement Amount Statement is final, (ii) if Purchaser has not earlier notified Seller, in writing, of a dispute in amounts shown on the Settlement Amount Statement the twentieth (20th) business day after delivery of the Settlement Amount Statement by Seller to Purchaser, and (iii) the date on which any disputes relating to the Settlement Amount Statement are resolved, as described in this Section 3.2.
- (d) Notwithstanding anything to the contrary in this Agreement, any disputes regarding amounts shown on the Settlement Amount Statement shall be resolved as set forth in this Section 3.2(d);
- i) In the event that Purchaser disputes an amount shown on the Settlement Amount Statement initially delivered by Seller to Purchaser in accordance with Section 3.2(a),

Was this provided by Seller?  
When?

Where are Schedules?



Purchaser shall provide written notice of each disputed item (each, a "Disputed Item") to Seller (the "Dispute Notice" and, the date of its delivery, the "Dispute Notice Date") specifying the amount in dispute (including Seller's calculation of the Settlement Amount) and setting forth, in reasonable detail, the basis for such dispute. Within twenty (20) days following the Dispute Notice Date, the Disputed Items shall be submitted to an accounting firm mutually acceptable to Seller and Purchaser (the "Arbiter"). Seller and Purchaser shall each then have no more than twenty (20) business days to submit evidence in support of its position.

- ii) Without limiting the generality of the foregoing, the parties acknowledge that the Purchase Price adjustment contemplated by this Section 3.2 is intended to reflect the difference between the Settlement Amount as shown on the Settlement Amount Statement and the Closing Cash Payment. The scope of the Disputed Items to be resolved by the Arbiter is limited, therefore, to whether the Settlement Amount Statement was prepared in accordance with the terms of this Agreement. Upon final resolution of all Disputed Items, the Arbiter shall issue a report showing a calculation of the Settlement Amount.
- iii) The Arbiter shall make its determination of the Disputed Items, and such determination shall be binding and conclusive on the parties hereto. The parties shall cooperate fully in assisting the Arbiter in calculating the Disputed Items and shall take such actions as are necessary to expedite and to cause the Arbiter to expedite such calculation.

The fees and expenses of the Arbiter and reasonable third party fees, costs and expenses of the parties shall be paid one-half by Seller and one-half by Purchaser.

- 3.3. Allocation of the Purchase Price Among the Assets. Within thirty (30) days following the Closing Date, the parties shall agree on the allocation of the Purchase Price among each item or class of the Purchased Assets. Seller and Purchaser agree that they will prepare and file their federal and any state or local income tax returns based on such allocation of the Purchase Price. Seller and Purchaser agree that they will prepare and file any notices or other filings required pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended, and that any such notices or filings will be prepared based on such allocation of the Purchase Price.

*Done 2*

#### 4. ASSUMPTION OF CERTAIN LIABILITIES

4.1. Purchaser shall assume the following obligations and liabilities related to the Purchased Assets (the "Assumed Liabilities"):

- (a) Liabilities and obligations under sales orders of the Business outstanding as of the Closing Date, including liabilities for adjustments claimed by customers or purchasers of the products and merchandise of the Business after the Closing Date;
- (b) All liabilities and obligations of Seller for warranty claims and returns in respect of products and merchandise of the Business;
- (c) Any claims against and liabilities arising in connection with or out of the operation of the Business and/or ownership of the Purchased Assets by Purchaser from and after the Closing Date;
- (d) Any obligations for accrued sick time or vacation time of the Transferring Employees as of the Closing Date;
- (e) Those contracts with sales representatives of the Business listed on Schedule 4.1(c); and
- (f) the Assumed Accounts Payable of Seller as set forth on Schedule 4.1(f).

*W/len 3/1*

4.2. Except as specifically provided herein, Purchaser neither assumes nor shall be obligated to pay, perform or discharge, and none of the Purchased Assets shall be or become liable for or subject to any other liability or obligation of the Seller, whether known or unknown, fixed or contingent (collectively, the "Excluded Liabilities"). Seller covenants and agrees that Seller shall promptly reimburse Purchaser for any amounts offset against Accounts Receivable by a customer of Seller (unrelated to the Business.) Purchaser covenants and agrees that Purchaser shall promptly reimburse Seller for any amounts offset against Seller's accounts receivable by a customer of Purchaser for claims related to the Business.

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#### 5. REPRESENTATIONS AND WARRANTIES OF PURCHASER

In order to induce Seller to enter into this Agreement and to consummate the transaction contemplated hereunder, Purchaser hereby represents and warrants to Seller that:

5.1. Status and Authority of Purchaser. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois. Purchaser has all requisite power and authority to carry on its business as presently conducted, to own, lease and operate the

assets, property and business owned, leased and operated by it and to acquire and operate the Business upon its purchase of the Purchased Assets as contemplated hereby. Purchaser has full power and authority to enter into this Agreement and the transactions contemplated herein, and to execute and deliver, enter into and consummate all documents necessary or appropriate to the performance of its obligations hereunder. All necessary authorizations or approvals by Purchaser have been or will be obtained prior to the Closing Date and no other action is required in connection herewith. This Agreement is a valid and binding obligation of Purchaser and is enforceable in accordance with its terms.

- 5.2. No Conflict. Neither the execution and delivery of this Agreement nor the consummation of the transaction contemplated hereby will: (a) conflict with or violate any provision of Purchaser's certificate of incorporation or bylaws or of any law, ordinance or regulation or any decree or order of any court or administrative or other governmental body which is either applicable to, binding upon or enforceable against the seller; or (b) result in any breach of or default under any mortgage, contract, agreement, indenture will trust or other instrument which is either binding upon or enforceable against Purchaser or the Purchased Assets.
- 5.3. As-Is Purchase. Except for the representation and warranties set forth in this Agreement, Purchaser acknowledges that the Purchased Assets are being acquired "as is, where is," and Purchaser further understands and agrees that Seller is not making any other representation or warranty whatsoever, expressed, implied, at common law, statutory or otherwise, and Seller expressly disclaims and negates any representation or warranty of merchantability, usage, suitability or fitness for any particular purpose with respect to the Purchased Assets.
- 5.4. No Brokers. Neither Purchaser nor any of its affiliates has dealt with any person or entity who is or may be entitled to a broker's commission, finder's fee, investment banker's fee or similar payment for arranging the transaction contemplated hereby or introducing the parties to each other.

## 6. REPRESENTATIONS AND WARRANTIES OF SELLER

In order to induce Purchaser to enter into this Agreement and to consummate the transaction contemplated hereunder, Seller hereby represents and warrants to Purchaser that:

- 6.1. Status and Authority of Seller. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois. Seller has all requisite power and authority to carry on its business as presently conducted. Seller has full power and authority to enter into this Agreement and the transactions contemplated herein and to

execute and deliver, enter into and consummate all documents necessary or appropriate to the performance of its obligations hereunder. All necessary authorizations or approvals by Seller have been or will be obtained prior to the Closing Date and no other action is required in connection herewith. This Agreement is a valid and binding obligation of Seller enforceable in accordance with its terms.

- 6.2. No Conflict. Neither the execution and delivery of this Agreement nor the consummation of the transaction contemplated hereby will: (a) conflict with or violate any provision of Seller's certificate of incorporation or bylaws or of any law, ordinance or regulation or any decree or order of any court or administrative or other governmental body which is either applicable to, binding upon or enforceable against the seller; or (b) result in any breach of or default under any mortgage, contract, agreement, indenture, will, trust, or other instrument which is either binding upon or enforceable against Seller or the Purchased Assets.
- 6.3. Accounts Receivable. Seller's accounts receivable have arisen in bona fide arms-length transactions in the Ordinary Course of Business. Schedule 2.1(a) contains a list of all Accounts Receivable as of Measurement Date, which list sets forth the aging of such Accounts Receivable.
- 6.4. Intellectual Property. Schedule 6.4 sets forth all (i) trademark and service mark registrations and pending registration applications, material unregistered trademarks, trade names, and company names, (ii) patents and pending patent applications, (iii) copyright registrations and registration applications, (iv) computer software (other than commercially available prepackaged computer software generally available to the public pursuant to non-exclusive end-user licenses), which are material to the operation of Business and are used by Seller in the Business. Record ownership of some trademarks and tradenames is not in Seller's name but is in the names of those entities from which Seller purchased the Business.
- 6.5. Employee Information. Schedule 6.5 contains a list of all employees of the Business as of the Measurement Date.
- 6.6. No Brokers. Neither Seller nor any of its affiliates, has dealt with any person or entity who is or may be entitled to a broker's commission, finder's fee, investment banker's fee or similar payment for arranging the transaction contemplated herein or introducing the parties to each other.

## 7. FURTHER COVENANTS AND AGREEMENTS

- 7.1 Operations. From the date of this Agreement until the Closing Date, the Seller shall operate the Business as currently operated and only in the Ordinary Course of Business. Further, without the prior written consent of Purchaser, Seller shall not, with respect to the Business or Purchased Assets:
- (a) sell or otherwise dispose of, or change in any manner the ownership of any of the Purchased Assets, except in the Ordinary Course of Business;
  - (b) acquire Inventory; or
  - (c) increase the rate of compensation to management or other employees beyond the usual and customary annual merit increases or bonuses under established compensation plans without consent of the Purchaser.
- 7.2. Systems Support. Seller shall provide Purchaser with computer, billing and accounting systems, support and access related solely to the Business as reasonably requested by Purchaser, without charge, for a period of three (3) months following the Closing Date. In the event that Purchaser requires continued access to such systems after such three (3) month period, Seller and Purchaser agree to enter into a Systems and Support Contract upon terms and conditions mutually agreeable to the parties.
- 7.3. Air Freight Costs. Seller shall pay or reimburse Purchaser for all air freight delivery costs for inventory ordered after February 28, 2005, until thirty (30) days following the Closing Date, up to a maximum of \$36,000 in the aggregate.
- 7.4. Cooperation. The parties hereto will cooperate with each other in every reasonable way in carrying out the transactions contemplated by this Agreement; in obtaining any and all required approvals, consents, permits and authorizations; in filing any notification or report which may be required pursuant to state or federal law and the rules and regulations promulgated by any regulatory body; and in executing and delivering all documents, instruments and copies hereto necessary or useful to the other party.
- 7.5. Interim Inventory. Following the execution of this Agreement, Seller will allow Purchaser to purchase goods from the suppliers of the Business (the "Suppliers") for its own account; provided, however, when Purchaser purchases goods from the such Suppliers, Seller shall allow Purchaser the right to purchase inventory from Suppliers under the Argus Camera and

VisionTek brand names. In the event that this Agreement is terminated prior to the Closing Date, Seller, in its discretion, agrees to either (i) purchase said inventory from Purchaser at Purchaser's cost within seven (7) days of the termination of this Agreement, or (ii) following such seven (7) day period, allow Purchaser to sell such inventory to any possible buyer without restriction; provided further, that upon locating any potential buyer, Purchaser shall give Seller written notice, signed by both Purchaser and the potential buyer, of the price and terms by which Purchaser has agreed to sell, and the potential buyer has agreed to buy, such inventory, upon which notice Seller shall have forty-eight (48) hours from the receipt of such notice to elect in writing to purchase such inventory directly from Purchaser on the price and terms set forth in the notice. If such written notice is not received from Seller within such forty-eight (48) hour period, Purchaser may sell such inventory to the proposed buyer at the price and on the terms and conditions as specified in Purchaser's notice to Seller.

- 7.6. Employment by Purchaser of Seller's Employees. Purchaser shall offer employment at the current base compensation and wage levels and comparable positions and on other terms and conditions as Purchaser shall determine to each of the employees of the Business listed on Schedule 6.5. All such employees who accept Purchaser's offer of employment and actually perform services for Purchaser on or after the Closing Date are hereinafter referred to as the "Transferring Employees." Purchaser shall assume and be responsible for all sick time and vacation time of the Transferring Employees which has been accrued as of the end of business on the Closing Date. The employment of the Transferring Employees with Purchaser shall be considered effective and their employment by Seller shall terminate and transfer to Purchaser on the first business day following the Closing Date (the "Effective Date"). Notwithstanding anything set forth below or herein to the contrary, (i) nothing in this Agreement shall create any obligation on the part of Purchaser to continue the employment of any employee for any definite period following the Effective Date, and (ii) nothing in this Agreement shall preclude Purchaser from altering, amending or terminating any of its employee benefit plans, or the participation of any of its employees in such plans, at any time.
- 7.7. Payments from Customers. Following the Closing Date, Purchaser agrees to hold in trust, for the benefit of Seller, any and all monies received in payment of invoices due to Seller and further agrees to immediately remit such payments to Seller. Following the Closing Date, Seller agrees to hold in trust, for the benefit of Purchaser, any and all monies received in payment of Accounts Receivable or other invoices due to Purchaser and further agrees to immediately remit such payments to Purchaser.

- 7.8. License for Leased Real Property. Within sixty (60) days of the Closing Date, Purchaser and Seller agree to enter into a License Agreement, on terms mutually agreeable to both parties (the "**License**"), for the portion of the real property currently used by Seller for the Business (the "**Leased Property**"). It is contemplated that, among other things, such License shall provide for Purchaser to pay its pro rata portion of rent and other payments due under Seller's lease and utilities for the Leased Property. Seller and Purchaser further agree that, in the event, the parties cannot mutually agree to the terms of the License, Purchaser shall promptly vacate the Leased Property and shall pay to Seller its pro rata portion of rent and other payments due under Seller's lease and utilities for the Leased Property for the period beginning on the Closing Date and ending on the date which Purchaser vacates the Leased Property.
- 7.9. Security for the Seller Note. Within thirty (30) days of the Closing Date, Purchaser agrees to enter into a security agreement reasonably acceptable to the parties granting Seller a perfected security interest in all of Purchaser's assets, (and the assets of any of its subsidiaries) to secure Purchaser's obligations under the Seller Note. The security interest so granted shall be subordinate to (i) the security interest and liens of Purchaser's first lien secured lender (the "**Senior Lender**"), and (ii) the right of any guarantor of the indebtedness owed to the Senior Lender to obtain recovery to the extent, and only to the extent, that the guarantor has made payments pursuant to such guarantee or the Senior Lender has realized upon collateral pledged by such guarantor to secure such guarantee (other than the stock of the Purchaser) in order to satisfy obligations under the guarantee. The parties agree to execute and deliver such other documents and instruments as are reasonably required or customary in commercial transactions of this type in order to effectuate the foregoing.

## 8. CONDITIONS TO OBLIGATIONS OF SELLER

The obligations of Seller to consummate and effect the transactions contemplated by this Agreement shall (unless waived by Seller) be subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions:

- 8.1. Purchaser shall be able and ready to pay the Purchase Price to Seller and shall have fulfilled all of its material obligations hereunder to be fulfilled in connection with the Closing Date;
- 8.2. Purchaser shall have executed and delivered to Seller this Agreement and each of the other documents required to be delivered by Purchaser pursuant to Section 10.3;
- 8.3. The Closing Cash Payment shall be in an amount not less than \$3,850,000;

- 8.4. The Board of Directors of Seller shall have unanimously approved the transactions contemplated by this Agreement;
- 8.5. All necessary consents or approvals of third parties to any of the transactions contemplated hereby, the absence of which would materially affect Seller's rights or performance hereunder and shall have been obtained and shown by written evidence to Seller;
- 8.6. No action, proceeding, investigation or litigation shall have been instituted or threatened against any party hereto which would affect the transactions contemplated by this Agreement; and Purchaser shall not be the subject of any proceeding or filing in bankruptcy, insolvency, receivership or reorganization; and
- 8.7. All of the representations and warranties of Purchaser shall be true and correct on the Closing Date in all material respects as if made on the Closing Date without regard to any supplements provided after the date hereof, and Purchaser shall have issued a certificate, dated as of the Closing Date and executed by an authorized officer of Purchaser, to such effect at the Closing.

## 9. CONDITIONS TO OBLIGATIONS OF PURCHASER

The obligations of Purchaser to consummate and effect the transactions contemplated by this Agreement shall (unless waived by Purchaser) be subject to the satisfaction, at or prior to the Closing Date, of each of the following conditions:

- 9.1. Seller shall have executed and delivered to Purchaser this Agreement and each of the other documents required to be delivered by Seller subject to Section 10.2;
- 9.2. All necessary consents or approvals of third parties to any of the transactions contemplated hereby, the absence of which would materially affect Purchaser's rights or performance hereunder, shall have been obtained and shown by written evidence to Purchaser;
- 9.3. Termination or release statements or other evidences of satisfaction, cure or remedy, in form subject to Purchaser's reasonable satisfaction, duly endorsed by all appropriate persons or governmental agencies, confirming that all Liens against the Purchased Assets shall have been terminated, cured or removed;
- 9.4. No action, proceeding, investigation or litigation shall have been instituted or threatened against any party hereto which would materially adversely affect the transactions contemplated by this Agreement; Seller shall not be



the subject of any proceeding or filing in bankruptcy, insolvency receiverships or reorganization;

9.5. All of the representations and warranties of Seller shall be true and correct on the Closing Date in all material respects as if made on the Closing Date without regard to any supplements provided after the date hereof, and Seller shall have issued a certificate, dated as of the Closing Date and executed by an authorized officer of Seller, to such effect at the Closing; and

9.6. Purchaser shall have obtained financing from a banking institution or other third party providing for an advance rate of 82% of eligible Accounts Receivable and 50% of eligible Inventory (as determined pursuant to Purchaser's credit agreement with its principal lender).

## 10. CLOSING AND TERMINATION

10.1. Date, Time and Place of Closing. The transactions contemplated by this Agreement shall be consummated at the closing (the "**Closing**") to be held no later than 5:00 p.m., local time, on March 17, 2005 (the "**Closing Date**"), at the offices of Sachnoff & Weaver, Ltd., 10 S. Wacker Drive, Chicago, Illinois, or at such other date, time and place as may be mutually agreed upon in writing by the parties hereto. All proceedings to take place at the Closing shall take place simultaneously, and no delivery shall be considered to have been made until all such proceedings have been completed.

10.2. Seller's Closing Deliveries. At or prior to the Closing, Seller shall deliver, and/or Purchaser shall have received, the following:

- (a) All items necessary to put Purchaser into full possession of the Purchased Assets and with access to the Leased Premises;
- (b) Duly executed bill (or bills) of sale as to the Purchased Assets in substance and form reasonably satisfactory to counsel for Purchaser;
- (c) A blanket assignment of all the Intellectual Property, and, in the case of any Intellectual Property which is filed or registered with any governmental agency or private registry, individual instruments of assignment of form acceptable for filing or recording with such agency;
- (d) Resolutions of the Board of Directors of Seller authorizing this Agreement and the transactions contemplated hereby; and

- (e) All other documentation required to be delivered at or prior to the Closing, under the terms of this Agreement.

10.3. Purchaser's Closing Deliveries. At or prior to the Closing, Purchaser shall deliver, and/or Seller shall have received, the following:

- (a) Purchaser's wire transfer in the amount of the Closing Cash Payment to the account of Seller's lender, Delaware Street Capital Master Fund, L.P.;
- (b) Executed Seller Note.

## 11. TERMINATION OF AGREEMENT

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

- (a) By the mutual written consent of Seller and Purchaser;
- (b) By Seller, in accordance with Section 11.3 below;
- (c) By Purchaser, in accordance with Section 11.4 below; and
- (d) By either Seller or Purchaser if the Closing shall not have occurred on or prior to the Closing Date, provided, however, that the right to terminate this Agreement under this Section 11.1 shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date.

11.2. Effect of Termination. In the event of termination of this Agreement as provided in this Section 11, this Agreement shall forthwith become void and there shall be no liability on the part of any party hereto, except that nothing herein shall relieve any party hereto from liability for any willful breach hereof.

11.3. Default or Breach by Purchaser. In the event of a default hereunder by Purchaser or if the Closing fails to occur by reason of Purchaser's failure or refusal to perform its obligations hereunder, then Seller shall be entitled to terminate this Agreement upon written notice to Purchaser.

11.4. Default or Breach by Seller or Non-Occurrence of Certain Conditions. In the event of a default hereunder by Seller or if the Closing fails to occur by reason of Seller's failure or refusal to perform its obligations hereunder on or before the Closing Date, then Purchaser shall be entitled to terminate this Agreement upon written notice to Seller.

## 12. INDEMNIFICATION

### 12.1. Seller's Indemnity.

- (a) Seller agrees to indemnify and hold the Purchaser and its affiliates, their respective directors, officers, employees, agents, counsel and representatives and all of their successors and assigns (the "**Purchaser Indemnitees**") harmless from and against, and agree to defend the Purchaser Indemnitees from and reimburse the Purchaser Indemnitees for any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind, including, without limitation, reasonable attorneys' fees and other legal costs and expenses (hereinafter referred to collectively as "**Losses**") that the Purchaser Indemnitees may at any time suffer or incur, or become subject to, as a result of or in connection with: (i) any breach or inaccuracy of any of the representations and warranties made by the Seller in this Agreement; (ii) any failure of the Seller to carry out, perform, satisfy and discharge any of its covenants, agreements, undertakings, liabilities or obligations under this Agreement or under any of the documents and instruments delivered by the Seller pursuant to this Agreement; and (iii) any Excluded Liabilities; provided, however, that the Purchaser Indemnitees shall have the right to be indemnified, held harmless from, defended or reimbursed under this Section 12.1 in respect of the representations and warranties made by the Seller in Section 6, only if a good faith claim regarding a known matter is asserted (whether or not such Losses have actually been incurred) on or before the date that is 12 months after the Closing Date. H. 2
- (b) In the event a claim is made by a third party against the Purchaser Indemnitees that is covered by the indemnity provisions of Section 12.1(a) of this Agreement, notice shall be given promptly by the Purchaser Indemnitees to the Seller. The Seller shall have the right to contest and defend by all appropriate legal proceedings such claim and to control all settlements of such claim (unless the Purchaser Indemnitees agree to assume the cost of settlement and to forego such indemnity) and to select lead counsel to defend any and all such claims at the sole cost and expense of the Seller; provided, however, that the Seller may not effect any settlement that would result in any cost, expense, obligation or liability to the Purchaser Indemnitees unless the Purchaser Indemnitees consent in writing to such settlement (such consent not to be unreasonably withheld or delayed) and the Seller and each Shareholder agrees to indemnify fully the Purchaser Indemnitees therefor. The Purchaser Indemnitees may select counsel to participate in any defense, in 2

which event, the Purchaser Indemnitees' counsel shall be at their own sole cost and expense. In connection with any such claim, action or proceeding, the parties shall cooperate with each other and provide each other with access to relevant books and records in their possession.

- (c) Purchaser hereby agrees that the Purchaser Indemnitees' sole and exclusive recourse against Seller and the Shareholders for any Loss or claim of Losses shall in the aggregate be expressly limited to the Closing Cash Payment under Section 3.1(b) (the "Cap"). Notwithstanding anything to the contrary herein, the Cap shall not apply to any fraudulent act or omission of the Seller or any Shareholder.

12.2. Purchaser's Indemnity.

- (a) The Purchaser hereby agrees to indemnify and hold the Seller and its affiliates, their respective directors, officers, employees, agents, counsel and representatives and all of their successors and assigns (the "Seller Indemnitees") harmless from and against, and agrees to defend promptly, the Seller Indemnitees from and reimburse the Seller Indemnitees for any and all Losses that the Seller Indemnitees may at any time suffer or incur, or become subject to, as a result of or in connection with: (i) any breach or inaccuracy of any of the representations and warranties made by the Purchaser in this Agreement; (ii) any failure by the Purchaser to carry out, perform, satisfy and discharge any of its covenants, agreements, undertakings, liabilities or obligations under this Agreement or under any of the documents and materials delivered by the Purchaser pursuant to this Agreement; and (iii) the Assumed Liabilities; provided, however, that the Seller Indemnitees shall have no right to be indemnified, held harmless from, defended or reimbursed under this Section 12.2(a) in respect of the representations and warranties made by the Purchaser in Section 5 only if a good faith claim regarding a known matter is asserted (whether or not such Losses have actually been incurred) on or before the date that is 12 months after the Closing Date. Nothing withstanding the foregoing, Purchaser's representations and acknowledgement set forth in Section 5.3 shall remain in full force and effect.
- (b) In the event a claim is made by a third party against any Seller Indemnitee that is covered by the indemnity provisions of Section 12.2(b) of this Agreement, notice shall be given promptly by the Seller to the Purchaser. The Purchaser shall have the right to contest and defend by all appropriate legal proceedings such claim

and to control all settlements (unless the Seller Indemnitees agree to assume the cost of settlement and to forego such indemnity) and to select lead counsel to defend any and all such claims at the sole cost and expense of the Purchaser; provided, however, that the Purchaser may not effect any settlement that would result in any cost, expense, obligation or liability to the Seller Indemnitees unless the Seller Indemnitees consent in writing to such settlement (such consent not to be unreasonably withheld or delayed) and the Purchaser agrees to indemnify the Seller Indemnitees therefor. The Seller Indemnitees may select counsel to participate in any defense, in which event, the Seller's counsel shall be at its own sole cost and expense. In connection with any such claim, action or proceeding, the parties shall cooperate with each other and provide each other with access to relevant books and records in their possession.

### 13. GENERAL PROVISIONS

- 13.1. Further Deliveries. The parties agree to execute and deliver any and all other documents and instruments which may be required in order to carry out the transactions contemplated by this Agreement and to effectively transfer the Purchased Assets to Purchaser.
- 13.2. Confidentiality. Except as provided herein, the parties agree that this Agreement and the terms hereof (collectively, the "**Confidential Information**") are and shall be confidential such that no party shall disclose the Confidential Information to any other person or entity. Disclosure of Confidential Information may be made only as required by law, as required by subpoena or process or as ordered by a court or other governing tribunal.
- 13.3. Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given when delivered personally against an executed receipt, mailed by registered or certified mail, return receipt requested, sent by recognized overnight delivery service or, to the extent receipt is confirmed, by facsimile or other electronic transmission service, to the parties at the following addresses (or to such other address as a party may have specified by notice given to the other party pursuant to this provision):

If to Seller: Mr. Anthony Graffia Jr.  
c/o Hartford Computer Group, Inc.  
1610 Colonial Parkway  
Inverness, IL 60067

With a copy to: Jeffrey Schumacher, Esq.  
Sachnoff & Weaver, Ltd.  
10 S. Wacker, Suite 4000  
Chicago, IL 60606

If to Purchaser: Chris Rosman  
Impero Electronics, Inc.  
1610 Colonial Parkway  
Inverness, IL 60067

- 13.4. Assignment; Amendment and Waiver. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided, however, that neither this Agreement nor any of the rights, interests, or obligations hereunder may be assigned by any of the parties hereto without the prior written consent of the other parties, except that Purchaser may collaterally assign its rights hereunder to any lender providing financing to Purchaser. The provisions, terms, covenants, representations, warranties, and conditions of this Agreement may be amended or waived only by a written instrument executed by the party hereto waiving compliance. The failure of any party hereto at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party hereto of any condition or the breach of any provision, term, covenant, representation, or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation, or warranty of this Agreement.
- 13.5. Attorneys' Fees in Case of Dispute. In the event that litigation is brought by a party to enforce or interpret the terms of this Agreement, each party shall pay its own attorney fees.
- 13.6. Neutral Interpretation. The parties hereto each acknowledge that it has been represented by and they have had the benefit of the advice of independent counsel in the negotiation and drafting of this Agreement.
- 13.7. Headings. The descriptive article, section and paragraph headings are intended for convenience of reference only and to not constitute a part of

this Agreement and shall not control or affect the meaning or construction of any provision of this Agreement.

- 13.8. Entire Agreement. This Agreement constitutes the entire agreement between the parties pertaining to this subject matter and supersedes all prior or contemporaneous agreements or understandings of the parties relating to the subject matter herein contained. The parties hereto may by mutual agreement amend this Agreement in any respect provided that such amendment shall be in writing signed by both parties.
- 13.9. Severability. If any term or provision of this Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Agreement and any other application of such provisions shall not be affected thereby.
- 13.10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. For purposes of executing and delivering this Agreement or any of the other documents or instruments required hereunder, a signed document transmitted by facsimile machine ("FAX") shall be treated in all manner and respect as an original document. The signature of any party by FAX shall be considered for these purposes as an original signature. Any such FAX shall be considered to have the same binding legal effect as an original document. At the request of any party hereto, any FAX document subject to this Agreement shall be re-executed by all parties hereto in an original form. The undersigned parties hereby agree that they shall not raise the use of the FAX or the fact that any signature or document was transmitted or communicated through the use of a FAX as a defense to the formation of this Agreement.
- 13.11. Parties Benefited. The terms and provisions and benefits of this Agreement shall inure solely to the benefit of the respective parties hereto and their successors and assigns.
- 13.12. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS, INCLUDING WITHOUT LIMITATION AS TO ALL MATTERS OF CONSTRUCTION, VALIDITY, ENFORCEABILITY, AND PERFORMANCE.
- 13.13. Costs and Expenses. Except as otherwise specified in this Agreement, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereunder shall be paid

by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

*The remainder of this page is intentionally left blank.*



IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the date and year first above written.

HARTFORD COMPUTER GROUP INC.

IMPERO ELECTRONICS, INC.

By: *Anthony R. Genoffo*

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

Name: *Anthony R Genoffo*

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

Title: *President*

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

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the date and year first above written.

HARTFORD COMPUTER GROUP INC.

IMPERO ELECTRONICS, INC.

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

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

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

Name: Christopher T. Rosman

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

Title: V.P.