

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM372968

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNMENT OF THE ENTIRE INTEREST AND THE GOODWILL		
SEQUENCE:	6		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Movies Unlimited Inc.		06/29/2015	CORPORATION: PENNSYLVANIA
RECEIVING PARTY DATA			
Name:	Alliance Entertainment Holding Corporation		
Doing Business As:	DirecttoU LLC		
Street Address:	17822 Gillette Avenue, Suite A		
City:	IRVINE		
State/Country:	CALIFORNIA		
Postal Code:	92614		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	73350735	MOVIES UNLIMITED MOVIES UNLIMITED CAST O	
CORRESPONDENCE DATA			
Fax Number:	9542554977		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	9492551170		
Email:	sallym@sdcd.com		
Correspondent Name:	Jeff Walker		
Address Line 1:	17822 Gillette Avenue, Suite A		
Address Line 4:	Irvine, CALIFORNIA 92614		
NAME OF SUBMITTER:	Jeff Walker		
SIGNATURE:	/jeff walker/		
DATE SIGNED:	02/11/2016		
Total Attachments: 45			
source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page1.tif			
source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited			

OP \$40.00 73350735

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page29.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page30.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page31.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page32.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page33.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page34.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page35.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page36.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page37.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page38.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page39.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page40.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page41.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page42.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page43.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page44.tif

source=Movies Unlimited Inc_Asset Purchase 2015 06_30 AEC-Movies Unlimited Agreement-Executed-Redacted#page45.tif


ASSET PURCHASE AGREEMENT

by and among

Directtou LLC, a Delaware Limited Liability Company

Alliance Entertainment Holding Corporation,
a Delaware corporation, through its wholly owned subsidiary Directtou LLC

MOVIES UNLIMITED, INC.
a Pennsylvania corporation,

 ,
an individual

Dated June 29, 2015

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of this 29th day of June 2015, by and among Directtou LLC, a Delaware Limited Liability Company ("Purchaser"), Alliance Entertainment Holding Corporation, a Delaware corporation, through its wholly owned subsidiary Directtou LLC, MOVIES UNLIMITED INC, a Pennsylvania corporation ("Seller"), [REDACTED], an individual ("Shareholder").

RECITALS

A. Seller owns and operates a pre-recorded video catalog and website business (collectively, the "Business"), and desires to sell to Purchaser, on the terms and subject to the conditions of this Agreement, substantially all of the assets of Seller used by Seller in connection with the Business.

B. Purchaser desires to purchase from Seller, on the terms and subject to the conditions of this Agreement, substantially all of the assets of Seller used in connection with the Business, and to assume certain enumerated liabilities of Seller in connection therewith.

C. Shareholder owns 100% of the issued and outstanding shares of capital stock of Seller and desires that Seller sell to Purchaser certain of its assets on the terms and subject to the conditions of this Agreement.

AGREEMENT

In consideration of the foregoing recitals and the mutual covenants, agreements, representations and warranties contained in this Agreement, the parties, intending to be legally bound, agree as follows:

ARTICLE 1 DEFINITIONS

1.1 *Defined Terms.* For purposes of this Agreement, the following terms shall have the following meanings:

"Action" shall mean any action, claim, suit, litigation, proceeding, arbitration, mediation or other dispute.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities or other ownership interests, by contract or otherwise.

"Applicable Laws" shall mean all Laws applicable to a Person and its business.

"Average Daily Sales" shall mean, (i) in the case of any Inventory that was received by the Company for the first time at least six months prior to the Closing, the average daily sales of Inventory (other than Strategic Inventory) over the six-month period immediately preceding the Closing or, (b) in the case of any Inventory that was received by the Company for the first time between the period of three months and six months prior to the Closing, the average daily sales of Inventory (other than Strategic Inventory) based on the number of days between the First Receipt Date and the Closing Date.

"Books and Records" shall mean all books, ledgers, files, records, manuals and other materials (in any form or medium) related to the Business, including, but not limited to, all correspondence, personnel records, purchasing materials and records, vendor lists, operation and quality control records and procedures, research and development files, Intellectual Property disclosures and documentation, accounting records and systems, sales order files, purchase order files, advertising materials, catalogs, product brochures, mailing lists, customer lists, distribution lists, sales and promotional materials and all other records utilized by Seller in connection with the Business and all computer hardware, software and data files necessary to access or review or continue to compile or utilize any of the foregoing.

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

"Damages" shall mean any claim, demand, loss, liability, damage or expense, including without limitation interest, penalties and reasonable attorneys', accountants' and experts' fees and costs of investigation incurred as a result thereof.

"Employee Benefit Plan(s)" shall mean: (a) Any "employee welfare benefit plan," as defined in Section 3(1) of ERISA, (i) which Seller sponsors or to which Seller contributes or is required to contribute, or under which Seller may incur any liability, and (ii) which covers an employee or former employee of Seller including each multi-employer welfare benefit plan; (b) any "multi-employer plan," as defined in Section 4001(a)(3) of ERISA, (i) to which Seller (or any Person which is a member of a "controlled group of corporations" with or under "common control" with Seller as defined in Section 414(b) or (c) of the Code ("Common Control Entity") has contributed or been obligated to contribute at any time or under which Seller may incur any liability, and (ii) which covers an employee or former employee of Seller; (c) any "employee pension benefit plan," as defined in Section 3(2) of ERISA, (i) which Seller sponsors or to which Seller or any Common Control Entity contributes or is required to contribute or under which Seller may incur any liability, and (ii) which covers an employee or former employee of Seller; and (d) any deferred compensation plan, bonus plan, profit sharing plan, stock option plan, employee stock purchase plan and any other employee benefit plan, agreement, arrangement or commitment maintained by Seller which covers an employee or former employee of Seller.

"Encumbrances" shall mean any claim, lien, pledge, option, charge, easement, security interest, deed of trust, mortgage, right-of-way, encroachment, restriction, encumbrance or other right of third parties, of any kind or nature.

"Environmental Requirements" means all federal, state, local and foreign statutes, regulations and ordinances concerning pollution or protection of the environment, including all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release,

control or cleanup of any hazardous materials, substances or wastes, as such requirements are enacted and in effect on or prior to the Closing Date.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor statute, including the rules and regulations promulgated thereunder.

"Excluded Inventory" shall mean (a) any damaged inventory, and (b) any and all Slow Moving Inventory; provided, however, that the term "Excluded Inventory" shall not include any Strategic Inventory.

"First Receipt Date" shall mean the date Seller receives a particular item of Inventory (other than Strategic Inventory) for the first time.

"Fiscal Year" shall mean, with respect to Seller, each 12 month period commencing on January 1 and ending on December 31 of each calendar year, and, with respect to Purchaser, each 12 month period commencing on July 1 and ending on June 30 of each calendar year.

"GAAP" shall mean United States generally accepted accounting principles as in effect from time to time applied on a consistent basis during the respective periods.

"Intellectual Property" shall mean all of Seller's intellectual property rights including, without limitation, all of Seller's (a) Registered Intellectual Property; (b) common law, state, federal and statutory rights in any trademarks, service marks and trade names, copyrights, design rights, inventions, trade secrets, technical and business confidential information (including, but not limited to designs, plans, specifications, formulas, processes, methods, shop rights, know-how and other business or technical confidential information in each case whether or not such rights are patentable, copyrightable or registerable); (c) computer software programs and systems, know-how, formulae and designs and documentation relating to the foregoing or used or useable in the Business; (d) the Sites, Numbers and Addresses, and (e) other proprietary information owned, controlled, created or used or useable by or on behalf of Seller in connection with the conduct of the Business in which Seller has any interest whatsoever, whether or not registered, including rights or obligations under any license agreement with any other Person and all rights in and to any client lists, promotion lists and marketing data and other compilations of names.

"Inventory" shall mean all inventory of music and video, whether contained on CDs, DVDs, Blue Ray Video, records, tapes and cassettes, videos and related accessories of Seller.

"Knowledge" means (i) as it relates to Seller, (A) the actual knowledge of Jerry Frebowitz of a particular fact or other matter without independent investigation, or (B) nothing has come to the attention of Jerry Frebowitz of a particular fact or other matter that such individual reasonably could have been expected to discover or otherwise become aware of such fact or other matter in the course of conducting a reasonably detailed investigation concerning the existence of such fact or other matter.

"Laws" shall mean all foreign, federal, state or local statutes, codes, rules, regulations, ordinances, orders, decrees of any governmental authority, or any other laws, common law or reported decisions thereof.

"Material Adverse Effect" or "Material Adverse Change" means any effect or change that would be materially adverse to a Person's business, taken as a whole, or to the ability of any Persons to perform its obligations under this Agreement to which such Person is a party; provided, however, that none of the following shall be deemed to constitute, and none of the following shall be taken into account in determining whether there has been, a Material Adverse Effect or Material Adverse Change: (a) any adverse change, event, development, or effect arising from or relating to (i) general business or economic conditions, including such conditions related to the Person's business, (ii) national or international political or social conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the United States, or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the United States, (iii) financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index), (iv) changes in GAAP, (v) changes in Laws issued by any governmental entity, or (vi) the taking of any action contemplated by this Agreement and (b) any existing event, occurrence or circumstance with respect to which a Person has knowledge as of the Closing Date.

"Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"Permits" shall mean all permits, licenses, certificates, franchises, qualifications, authorizations, approvals and other rights from, and filings with, any governmental authority used in or relating to the Business.

[REDACTED]

"Person" means any individual, sole proprietorship, firm, corporation, partnership, limited liability company, association, joint venture, trust or other entity or enterprise or any governmental authority.

"Registered Intellectual Property" means all United States and foreign (a) patents and applications therefor, (b) registered trademarks or service marks, applications to register trademarks or service marks, intent to use applications or other registrations or applications related to trademarks or service marks, (c) registered copyrights and applications for copyright registration, and (d) Internet domain names, owned and used by Seller in the Business.

"Representatives" shall mean any officer, director, manager, principal, shareholder, partner, member, attorney, accountant, advisor, agent, trustee, employee or other representative of a party.

[REDACTED]

"Seller's Proration of Ad Valorem Taxes" shall mean Seller's portion of the ad valorem tangible personal property taxes with respect to the Purchased Assets for the 2015 calendar year prorated at the Closing between Seller and Purchaser as of the close of business on June 30, 2015 on the basis of no applicable discount. If the amount of such taxes for the 2015 calendar year has not been determined as of the close of business on June 30, 2015, then the applicable millage rate for 2014 for tangible personal property located at Seller's business location, and the depreciated book value of the tangible Purchased Assets that are subject to the ad valorem tax shall be used to calculate such prorations.

"Tax" or "Taxes" shall mean all taxes, charges, fees, levies or other assessments imposed by and required to be paid to any federal, state, local or foreign taxing authority, including, without limitation, income, excise, property, sales, transfer, ad valorem, payroll and franchise taxes (including any interest, penalties or additions attributable to or imposed on or with respect to any such assessment) and any estimated payments or estimated taxes.

"Tax Return" shall mean any return, report, information return or other document (including any related or supporting information) filed or required to be filed with any federal, state, local or foreign governmental entity or other authority in connection with the determination, assessment or collection of any Tax (whether or not such Tax is imposed on such party) or the administration of any Laws, regulations or administrative requirements relating to any Tax.

1.2 Other Defined Terms. The following capitalized terms shall have the meanings given to them in the Sections set forth below:

<u>Term</u>	<u>Section</u>
Adjustment Amount	2.6
Affiliated Party	3.24
Agreement	Preamble
Assignment and Assumption Agreement	6.2(b)
Assumed Liabilities	2.4(a)
Bill of Sale	6.2(a)
Business	Recital A
Closing	6.1
Closing Date	6.1
Closing Payment	2.5(b)
Contracts	2.1(f)
Excluded Assets	2.2
Excluded Liabilities	2.4(b)

FF&E	2.1(a)
Indemnitee	8.2(c)
Indemnitor	8.2(c)
Indemnitor Warranties	8.2(f)(iii)
Leases	3.16
Most Recent Seller Financial Statements	3.8
Non-Competition Agreement	2.5(c)
Non-Competition Payments	2.5(c)
Open Credits	2.4(a)(iv)
Optional Contracts	7.4
Other Tangible Property	2.1(d)
Purchased Assets	2.1
Purchase Price	2.5
Purchase Price Allocation	2.9
Purchaser	Preamble
Purchaser Basket Amount	8.2(f)(ii)
Purchaser Representatives	8.2(a)
Purchaser Warranties	8.2(f)(ii)
Sales Materials	2.1(b)
Seller	Preamble
Seller Basket Amount	8.2(f)(i)
Seller Financial Statements	3.8
Seller Representatives	8.2(b)
Seller's Required Consents	3.5
Seller Warranties	8.2(f)(i)
Shareholder	Preamble
Sites, Numbers and Addresses	2.1(k)
Shareholder	Preamble
Transferring Employees	7.2

**ARTICLE 2
PURCHASE AND SALE OF ASSETS**

2.1 Purchase and Sale of Assets. On the terms and subject to the conditions of this Agreement, except for the Excluded Assets, Seller hereby sells, transfers, assigns and delivers to Purchaser, and Purchaser hereby purchases and acquires from Seller, all of Seller's right, title and interest in and to all of the assets of every type and nature and wherever situated, whether real, personal or mixed, whether tangible, intangible or contingent, owned by Seller, or in which Seller has any interest of any type or nature, or which Seller is now using or the use of which is necessary or related to or used directly or indirectly in the operation of the Business (collectively, the "Purchased Assets"), including without limitation, the following:

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

(g) All of the Intellectual Property, including, without limitation, all rights of Seller to use the name "Movies Unlimited" or any variations thereof and all other fictitious business names and trade names used by Seller in connection with the Business;

■ [REDACTED]

■ [REDACTED]

■ [REDACTED];

(k) All of the World Wide Web URLs, internet domain name registrations and applications, telephone and facsimile numbers, including "800" numbers, and post office boxes, used by Seller in connection with the Business, including all of the foregoing set forth on Schedule 2.1(k) (the "Sites, Numbers and Addresses"); and

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

requisite corporate power and authority to own and operate the Business and its Purchased Assets and to carry on the Business as presently conducted. Seller is qualified to do business as a foreign corporation in each jurisdiction in which the conduct of its business or the ownership or leasing of its properties makes such qualification necessary, except where such failure to qualify would not have a Material Adverse Effect.

3.2 Authorization. Seller has the requisite corporate power, authority and legal right and capacity to enter into this Agreement and the agreements contemplated hereby, to the extent it is a party thereto, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Seller of this Agreement to which it is a party, have been duly authorized by all necessary corporate action on the part of Seller to make this Agreement valid and binding upon Seller in accordance with their respective terms.

3.3 Due Execution and Delivery; Binding Obligations. This Agreement has been duly executed and delivered by Seller, to the extent Seller is a party hereto or thereto. This Agreement constitutes the legal, valid and binding agreements and obligations of Seller, to the extent Seller is a party hereto or thereto, enforceable against Seller in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or conveyance or similar Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability and except as rights of indemnity or contribution may be limited by federal or state securities or other Laws or the public policy underlying such Laws.

3.4 No Conflict or Violation. Assuming all of the Seller's Required Consents are obtained, except as reflected on Schedule 3.4, neither the execution and delivery of this Agreement, to the extent Seller is a party hereto or thereto, nor the consummation of the transactions contemplated hereby and thereby, will result in (a) a violation of, or a conflict with, Seller's charter documents or any subscription, shareholders' or similar types of agreements or understandings to which Seller is a party; (b) a breach of, or a default (or an event which, with notice or lapse of time or both would constitute a default) under or result in the termination of, or accelerate the performance required by, or create a right of termination or acceleration under, any Contract, Encumbrance or Permit to which Seller is a party or by which it is bound or to which any of the Purchased Assets is subject (or result in the imposition of any Encumbrance on the Purchased Assets); (c) a violation by Seller of any Applicable Law, except where such violation would not have a Material Adverse Effect; or (d) a violation by Seller of any order, judgment, writ, injunction decree or award to which Seller is a party or by which it is bound or to which any of the Purchased Assets is subject.

3.5 Consents and Approvals. Except as set forth on Schedule 3.5 (the "Seller's Required Consents"), no consent, Permit approval or authorization of, or declaration, filing, application, transfer, registration with, any governmental or regulatory authority, or any other Person is required to be made or obtained by Seller by virtue of its execution, delivery and performance of this Agreement to which it is a party or Seller's consummation of the transactions contemplated hereby or thereby.

3.6

[REDACTED]

3.7 [REDACTED]

[REDACTED]

3.8 Financial Statements and Other Information.

(a) Attached hereto as Exhibit C are the following financial statements of Seller (collectively, the "Seller Financial Statements"): (a) the unaudited balance sheets of Seller at December 31, 2014, 2013 and 2012, and the related statements of income for the periods then ended. Except as set forth on Schedule 3.8(a), the Seller Financial Statements have been prepared in accordance with GAAP, and are true, correct and complete in all material respects; provided, however, that the Most Recent Seller Financial Statements are subject to normal year-end adjustments and lack footnotes and other presentation items.

(b) Schedule 3.8(b) sets forth a true and complete list, as of the close of business on the day immediately preceding the Closing Date, of all trade accounts payable with respect to the Business.

3.9 Undisclosed Liabilities. Except as set forth on Schedule 3.9, Seller does not have any material liabilities, obligations or commitments (absolute, accrued, contingent or otherwise) related to the Business or the Purchased Assets except for liabilities, obligations and commitments that are (a) reflected on the Seller Balance Sheet, (b) under and pursuant to any Contract, and (c) incurred after the Seller Balance Sheet Date in the Ordinary Course of Business.

3.10 No Material Adverse Change. Except as set forth on Schedule 3.10, since the Seller Balance Sheet Date, there has been no Material Adverse Change in the Business.

3.11 Absence of Certain Changes or Events. Except as set forth on Schedule 3.11, since the Seller Balance Sheet Date, the Business has been conducted in the Ordinary Course of Business and there has not been any:

(a) Amendment to Seller's charter documents, issuance of any equity securities of Seller; or issuance or creation of any warrants, obligations, subscriptions, options, convertible securities or other commitments under which any additional equity securities of Seller of any class have been or might be, directly or indirectly, authorized, issued or transferred;

(b) Declaration, setting aside or payment of any dividend by Seller; distribution in respect of any ownership interests of Seller; or purchase or redemption, directly or indirectly, of any ownership interests of Seller;

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3.12 *Title to Purchased Assets.*

(a) Except as set forth on Schedule 3.12(a), Seller either owns or holds under leases or licenses all of the material properties used by it in the Business, including the Intellectual Property, and, except as set forth on Schedule 2.2, all such properties are included in the Purchased Assets and sufficient for the operation of the Business as presently conducted by Seller.

(b) Except as set forth on Schedule 3.12(b), Seller has good and marketable title to, or a valid leasehold interest in, all of the Purchased Assets, free and clear of all Encumbrances other than Permitted Encumbrances.

3.13 Condition and Possession of Purchased Assets. All of the FF&E (a) is in operating condition and repair, subject to ordinary routine maintenance and repair, (b) is to the best of Seller's knowledge free from material defects (patent and latent), and (c) has been maintained in accordance with normal industry practice.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3.18 Intellectual Property. Except for (i) licenses for commercially available off-the-shelf computer software where the aggregate payments are less than \$10,000 per calendar year, and (ii) unregistered copyrights of Seller, Schedule 3.18 sets forth a list of all of the material Intellectual Property, including without limitation, all Registered Intellectual Property. Notwithstanding anything in this Agreement to the contrary, neither Seller nor Shareholder is representing or warranting to Purchaser that Seller has the requisite right, title and interest in and to, or the necessary licenses to use, display, copy or distribute, any unregistered copyrights of third parties to conduct the Business as presently conducted or as proposed to be conducted. Except as set forth on Schedule 3.18, there are no outstanding options, licenses or agreements of any kind relating to Seller's grant of any of its right, title and interest in and to any such Intellectual Property set forth on Schedule 3.18, nor is Seller bound by or a party to any options, licenses or agreements of any kind with respect to the proprietary rights of any other Person. Except in connection with third party claims of rights in and to unregistered copyrights or as set forth on Schedule 3.18, Seller has not received any written communication within the two year period immediately preceding the Closing, alleging that it has violated or, by conducting the Business, would violate any of the proprietary rights of any other Person.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

or (e) engaged in any conduct constituting a violation of the Foreign Corrupt Practices Act of 1977.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SHAREHOLDER

Shareholder represents and warrants to Purchaser as follows:

4.1 Authorization. Shareholder has the requisite legal right and capacity to enter into this Agreement and each of the Related Agreements to which he is a party, to perform his obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

4.2 Due Execution and Delivery; Binding Obligations. This Agreement and each of the Related Agreements have been duly executed and delivered by Shareholder, to the extent he is a party hereto and thereto. This Agreement and each of the Related Agreements constitute, the legal, valid and binding agreements and obligations of Shareholder, to the extent he is a party hereto and thereto, enforceable against him in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or conveyance or similar Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability and except as rights of indemnity or contribution may be limited by federal or state securities or other Laws or the public policy underlying such Laws.

4.3 No Conflict or Violation. Assuming the Seller's Required Consents are obtained, neither the execution and delivery of this Agreement or any of the Related Agreements to which Shareholder is a party, nor his consummation of the transactions contemplated hereby or thereby, nor the fulfillment of, or compliance with the terms and conditions of any of the foregoing, will result in (a) a material breach of, or a material default (or an event which, with notice or lapse of time or both would constitute a material default) under or result in the termination of, or accelerate the performance required by, or create a right of termination or acceleration under, any material contract, agreement, instrument, license, Encumbrance or Permit to which he is a party or by which he is bound or to which any of his assets is subject, except where such breach, default, failure to give notice, termination or Encumbrance would not have a Material Adverse Effect, or (b) a violation of any Law, order, judgment, writ, injunction, decree or award to which he is a party or by which he is bound or to which any of his assets is subject, except where such violation would not have a Material Adverse Effect.

[REDACTED]

4.5 *Ownership.* Shareholder holds of record 100 shares of capital stock of Seller, which represents 100% of the issued and outstanding capital stock of Seller.

**ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PURCHASER**

Purchaser represents and warrants to Seller as follows:

5.1 *Organization.* Purchaser is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware. Purchaser has the requisite corporate power and authority to own and operate its business and to carry on its business as presently conducted.

5.2 *Authorization.* Purchaser has the requisite corporate power, authority and legal right and capacity to enter into this Agreement to which it is a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Purchaser of this Agreement to which it is a party have been duly authorized by all necessary corporate action on the part of Purchaser to make this Agreement to which it is a party valid and binding upon Purchaser in accordance with their respective terms.

5.3 *No Finder.* Purchaser does not have any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which Seller could become liable or obligated.

**ARTICLE 6
THE CLOSING**

6.1 *Closing.* The closing of the sale and purchase of the Purchased Assets (the "Closing") shall take place via facsimile and electronic transmission at 01:00 p.m., Eastern time on the date hereof, or at such other place or at such other time or on such other date as the Seller Representatives and the Buyer mutually may agree in writing, on the date of the execution of this Agreement (the "Closing Date"). The Closing shall be effective as of the close of business of Seller on the Closing Date.

6.2 *Seller's and Shareholder's Obligations.* At the Closing, Seller and Shareholder shall deliver (as applicable) to Purchaser the following:

■ [REDACTED]

■ [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**ARTICLE 7
POST CLOSING COVENANTS**

7.1 Maintenance of Books and Records. Purchaser shall cooperate with Seller in good faith after the Closing so that (subject to any limitations that are reasonably required to preserve any applicable attorney-client privilege) Seller is provided with reasonable access to the Books and Records existing on the Closing Date and relating in any manner to the Purchased Assets, the Assumed Liabilities or the conduct of the Business as is reasonably necessary for the filing of all Tax Returns by Seller, the making of any election relating to Taxes by Seller, the preparation for any audit by any taxing authority, the prosecution or defense of any claim, suit or proceeding with respect to Seller's operation of the Business, or Seller's performance, satisfaction or discharge of any of the Excluded Liabilities. No Book and Records existing on the Closing Date and relating in any manner to the Purchased Assets or the conduct of the

Business prior to the Closing Date shall be destroyed by any party for a period of seven years after the Closing Date without giving the other party at least 30 days prior written notice, during which time such other party shall have the right (subject to the provisions hereof) to examine and to remove any such Books and Records prior to their destruction. The access to Books and Records contemplated by this Section 7.1 shall be during normal business hours and upon not less than two business days prior written request, shall be subject to such reasonable limitations as Purchaser may impose to preserve the confidentiality of information contained therein, and shall not extend to material subject to a claim of privilege unless expressly waived by the party entitled to claim the same. Notwithstanding the foregoing, Seller, at its sole cost and expense, shall be permitted to retain electronic and one tangible copy of only those Books and Records set forth on Schedule 7.1. Notwithstanding the aforesaid, Seller shall retain its corporate records, minute book and related records.

[REDACTED]

[REDACTED]

[REDACTED]

convert any or all of such Optional Contracts as a Purchase Asset and an Assumed Liability. Nothing in this Section 7.9, however, shall be deemed to excuse Purchaser from assuming and agreeing to pay, perform or otherwise discharge Seller's accounts payable to Seller's vendors, each of which is expressly acknowledged by Purchaser to be an Assumed Liability hereunder.

7.5 Further Assurances. Each party shall, at the request of the other party, do and perform or cause to be done and performed all such further acts and furnish, execute and deliver such other documents, instruments, certificates, notices or other further assurances as counsel for the requesting party may reasonably request, from time to time, to more effectively consummate the transactions contemplated by this Agreement.

ARTICLE 8 SURVIVAL; INDEMNIFICATION

8.1 Survival of Representations and Warranties. The representations and warranties of Seller and Shareholder contained in Sections 3 and 4 shall survive the Closing and continue in full force and effect for a period of 18 months thereafter; provided, however, that the representations and warranties set forth in Sections 3.1, 3.2, 3.7, 3.12(b), 3.25, 3.26 and 4.1 shall survive the Closing for the applicable statute of limitations. The representations and warranties of Purchaser contained in Section 5 shall survive the Closing and continue in full force and effect for a period of 6 months thereafter; provided, however that the representations and warranties set forth in Sections 5.1 and 5.2 shall survive the Closing for the applicable statute of limitations.

8.2 Indemnification Obligations.

(a) Indemnification by Seller and Shareholder. Provided that Purchaser makes a written claim for indemnification against Seller and Shareholder pursuant to Sections 8.2(c) and 9.7 within the applicable survival period, Seller and Shareholder, jointly and severally, shall indemnify, defend and hold harmless Purchaser and any of its Affiliates and their respective Representatives, and their respective heirs, executors, administrators, successors and assigns (collectively, "Purchaser Representatives") for any Damages incurred by a Purchaser Representative resulting from any of the following:

- (i) The Excluded Liabilities;
- (ii) Any breach or default in the performance by Seller or Shareholder of any covenant or agreement of Seller or Shareholder contained herein,
- (iii) Any breach of warranty or inaccurate or erroneous representation made by Seller or Shareholder herein in any Schedule hereto or thereto, or in any certificate or other instrument delivered or to be delivered by or on behalf of Seller or Shareholder pursuant hereto or thereto.

(b) Indemnification by Purchaser. Provided that Seller makes a written claim for indemnification against Purchaser pursuant to Sections 8.2(c) and 9.7 within the applicable survival period, Purchaser shall indemnify, defend and hold harmless Seller and Shareholder, and any of their Affiliates and their respective Representatives, and their respective heirs,

executors, administrators, successors and assigns (collectively, "Seller Representatives"), for any Damages incurred by a Seller Representative resulting from any of the following:

(i) The Assumed Liabilities, including any Damages incurred by a Seller Representative arising out of, relating to or in connection with Purchaser's failure to pay any of Seller's accounts payable to Seller's vendors;

(ii) Any breach in the performance by Purchaser of any covenant or agreement of Purchaser contained herein or;

(iii) Any breach of warranty or inaccurate or erroneous representation made by Purchaser herein any Schedule hereto or thereto, or in any certificate or other instrument delivered or to be delivered by or on behalf of Purchaser pursuant hereto or thereto.

(c) Notice of Claims for Indemnity. Whenever a claim for Damages shall arise for which one party ("Indemnitee") shall be entitled to indemnification hereunder, Indemnitee shall promptly (but in any event within 30 days of discovery of such claim, or, in the case of a third party claim, within 30 days of the filing or other written assertion of any such third party claim against the Indemnitee), notify the other party ("Indemnitor") in writing so Indemnitor may take appropriate action to resist such claim. Such notice shall state the nature and basis of such claim and specify all facts known to Indemnitee giving rise to such indemnity rights, and if such claim is with respect to a claim by a third party, accompanied by a copy of any written notice from such third party claimant. The failure of the Indemnitee to give a notice within such time period shall not relieve the Indemnitor of any liability to the Indemnitee except to the extent that the Indemnitor is prejudiced thereby.

(d) Claims Between the Parties. Upon receipt of any request for indemnification with respect to a claim by Indemnitee directly against Indemnitor (rather than to a claim for indemnification with respect to a claim brought against Indemnitee by a third party), Indemnitor shall, within 30 days of receiving Indemnitee's notice setting forth such request for indemnification, either (a) agree in writing to such indemnification request, or (b) if Indemnitor believes in good faith that it is not obligated to indemnify Indemnitee with respect to such claim, provide Indemnitee with written notice setting forth the basis for such objection in reasonable detail. If Indemnitor fails to respond to Indemnitee's written request within such 30-day period, Indemnitee's right to indemnification, as set forth in Indemnitee's notice to Indemnitor, shall be deemed agreed to by Indemnitor.

(e) Indemnification With Respect to Third Party Claims. Upon receipt by Indemnitor of a notice from Indemnitee with respect to any claim of a third party against Indemnitee with respect to which Indemnitee requests to be indemnified by Indemnitor, Indemnitor shall, within 30 days of receiving Indemnitee's notice setting forth such request for indemnification, either (a) agree in writing to assume the defense of such third party claim, or (b) if Indemnitor believes in good faith that it is not obligated to indemnify Indemnitee with respect to such third party claim, provide Indemnitee with written notice setting forth the basis for such objection in reasonable detail. If Indemnitor fails to respond to Indemnitee's written request within such 30 day period, Indemnitee's right to indemnification, as set forth in Indemnitee's notice to Indemnitor, shall be deemed agreed to by Indemnitor. In the event that Indemnitor agrees to indemnify Indemnitee, or if it is determined that Indemnitor is required to indemnify

Indemnitee, Indemnitor shall assume the defense of such third party claim with counsel reasonably satisfactory to Indemnitee, and Indemnitee shall cooperate to the extent reasonably requested by Indemnitor in defense or prosecution thereof and shall furnish such records, information and testimony and attend all such conferences, discovery proceedings, hearings, trials and appeals as may be reasonably requested by Indemnitor in connection therewith. If Indemnitor has agreed to indemnify Indemnitee and has assumed the defense of any such third party claim, (A) Indemnitee shall have the right to employ its own counsel at its own expense in any such case, and (B) Indemnitor shall have the right to settle any claim for which indemnification has been sought and is available hereunder; provided, however, that, to the extent that such settlement requires Indemnitee to take, or prohibits Indemnitee from taking, any action or purports to obligate Indemnitee, then Indemnitor shall not settle such claim without the prior written consent of Indemnitee. If Indemnitor does not assume the defense of any third party claim for which it is obligated to provide indemnification hereunder, Indemnitee may assume control of the defense of such claim through counsel of its choice at Indemnitor's expense (but only if the Indemnitor is responsible pursuant to this Section 8.2 to indemnify the Indemnitee in respect of such third party claim) and shall have control over the litigation and authority to resolve such claim. If action is required to be taken with respect to any third party claim prior to the determination of Indemnitor's obligations hereunder, Indemnitee may assume control of the defense of such claim through counsel of its choice at its own expense until such time as Indemnitor's obligations hereunder are determined; provided, however, that Indemnitor shall not be liable hereunder for any settlement of such claim without Indemnitor's prior written consent unless and until it is determined that Indemnitor is obligated hereunder to provide indemnification with respect thereto and refuses or fails to assume the defense of such claim.

(f) Limitations on Warranty Claims.

[REDACTED]

(ii) In favor of Purchaser. Notwithstanding anything to the contrary in Section 8.2(b), Purchaser shall have no liability (for indemnification or otherwise) under Section 8.2(b)(iii) with respect to any breach of warranty or inaccurate or erroneous representation made by Purchaser herein, in any Related Agreement, in any Schedule hereto or thereto, or in any

[REDACTED]

(iii) Notwithstanding any provision contained herein to the contrary, no Indemnatee shall be entitled to indemnification hereunder with respect to any breach of warranty or inaccurate or erroneous representation made by an Indemnitor herein, in any Related Agreement, in any Schedule hereto or thereto, or in any certificate or other instrument delivered or to be delivered by or on behalf of such Indemnitor pursuant hereto or thereto (individually, an "Indemnitor Warranty" and collectively, "Indemnitor Warranties"), if and to the extent that such Indemnatee had actual knowledge on the Closing Date that any such Indemnitor Warranty was erroneous or misleading, where such actual knowledge can be clearly demonstrated (based on the events, circumstances and consequences) from the materials actually provided to or obtained by Indemnatee prior to Closing.

(g) No Knowledge of Existing Claims. Purchaser is not aware of any facts or circumstances that would serve as the basis for a claim by Purchaser against Seller or Shareholder based upon a breach of any of the representations and warranties of Seller and Shareholder contained in this Agreement. Purchaser shall be deemed to have waived in full any breach of any of Seller's and Shareholders' representations and warranties of which Purchaser has such awareness at the Closing. Seller is not aware of any facts or circumstances that would serve as the basis for a claim by Seller or Shareholder against Purchaser based upon a breach of any of the representations and warranties of Purchaser contained in this Agreement. Each of Seller and Shareholder shall be deemed to have waived in full any breach of any of Purchaser's representations and warranties of which Seller or Shareholder has such awareness at the Closing.

(i) Mediation and Attorneys' Fees.

(A) EACH PARTY AGREES THAT ANY DISPUTE BETWEEN OR AMONG THEM ARISING OUT OF THE NEGOTIATION, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT, INCLUDING ANY CLAIMS FOR INDEMNIFICATION (OTHER THAN FOR PAYMENT UNDER THE PURCHASER NOTES) SHALL BE SUBMITTED TO MEDIATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION ("AAA") IN PHILADELPHIA, PENNSYLVANIA UNDER ITS COMMERCIAL MEDIATION PROCEDURES BEFORE, AND AS A CONDITION PRECEDENT TO, THE INITIATION OF ANY ADJUDICATIVE ACTION OR PROCEEDING. THE MEDIATION SHALL LAST AT LEAST ONE DAY AND THEREAFTER ANY PARTY MAY WITHDRAW FROM THE MEDIATION PROCESS

AND DECLARE AN IMPASSE. IF EITHER PARTY REFUSES TO MEDIATE THE DISPUTES SUBJECT TO THIS SECTION, THE OTHER PARTY MAY COMPEL THE MEDIATION OF THAT DISPUTE UNDER THE TERMS OF THIS AGREEMENT. IT IS UNDERSTOOD THAT THIS AGREEMENT TO MEDIATE DISPUTES HAS BEEN VOLUNTARY ENTERED INTO BY EACH PARTY.

(B) The mediation, which shall be held in Broward County Florida, shall commence when one party to a dispute (the "Offering Party") makes a written offer of compromise ("Offer") to the other party(ies). If the Offer is not accepted by the other party(ies) (the "Refusing Party") within 20 days after receipt by the Refusing Party, any party may refer the dispute to mediation. The dispute shall be mediated by the AAA, 100 Southeast Second Street, Suite 2300, Miami, Florida 33131 pursuant to its Commercial Mediation Procedures. The parties shall have 15 business days after the matter is submitted to AAA to agree upon the mediator from the available panel. If the parties are unable to agree within that 15 business day period, any party may request that AAA appoint the mediator. The mediator chosen by the parties or appointed by AAA shall be an attorney at law licensed to practice with at least two years experience as a mediator and at least 10 years experience in the practice of corporate business law.

(C) Each party shall advance in equal shares the fees charged by the mediator and the costs of the mediation until it is determined whether the dispute is resolved without further proceedings. If the mediation succeeds in resolving the dispute, each party to the mediation will equally share the fees of the mediator and the costs of the mediation and shall bear its own attorneys' fees and costs in connection with the mediation. On the other hand, if the mediation does not resolve the dispute, the mediation fees and costs of the mediation shall be paid in accordance with Section 8.2(i)(D).

(D) In the event of any action or proceeding brought by either party against the other under this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs (at all trial and appellate levels), including the attorney's fees, mediator's fees and costs incurred in connection with the mediation. The prevailing party, for the purposes of applying this Section 8.2(i)(D), shall be (A) the Offering Party if the Refusing Party(ies) does not obtain a more favorable judgment or award than was set forth in the Offer or (b) the Refusing Party(ies) if the Refusing Party(ies) does obtain a more favorable judgment or award than was set forth in the Offer.

**ARTICLE 9
GENERAL PROVISIONS**

[REDACTED]

9.2 Governing Law; Venue. The validity, construction and performance of this Agreement and the Related Agreements, and any Action arising out of or relating to this Agreement or any of the Related Agreements shall be governed by the domestic laws of the State of Pennsylvania without giving effect to any choice or conflict of law provision or rule (whether of the State of Pennsylvania or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Pennsylvania. Arbitration language should trump this

9.3 Interpretation. The language in all parts of this Agreement and each of the other Related Agreements shall be in all cases construed simply according to its fair meaning and not strictly for or against any party. Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the Sections and Subsections of this Agreement are for convenience only and shall not affect the construction or interpretation of any of the provisions of this Agreement. All information of a party contained in such party's Schedules hereto shall be deemed integrated into and disclosed in all of such party's other Schedules, without the necessity of any cross reference.

9.4 Waiver and Amendment. This Agreement may be amended, supplemented, modified and/or rescinded only through an express written instrument signed by all parties or their respective successors and permitted assigns. Any party may specifically and expressly waive in writing any portion of this Agreement or any breach hereof, but only to the extent such provision is for the benefit of the waiving party, and no such waiver shall constitute a further or continuing waiver of any preceding or succeeding breach of the same or any other provision. The consent by one party to any act for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or similar acts in the future, and no forbearance by a party to seek a remedy for noncompliance or breach by another party shall be construed as a waiver of any right or remedy with respect to such noncompliance or breach.

9.5 Assignment. Except as specifically provided otherwise in this Agreement, neither this Agreement nor any interest herein shall be assignable (voluntarily, involuntarily, by judicial process, operation of Law or otherwise), in whole or in part, by any party without the prior written consent of all other parties. Any attempt at such an assignment without such consent shall be void and, at the option of the non-consenting party, shall be an incurable breach of this Agreement resulting in the termination of this Agreement. Purchaser may, without the consent of Seller and Shareholder, assign all of its rights and obligations under this Agreement to any Affiliate of Purchaser, but in such event Purchaser shall remain fully liable as a primary party under this Agreement and such assignment shall in no way relieve Purchaser from any liability under this Agreement.

9.6 Successors and Assigns. Each of the terms, provisions and obligations of this Agreement shall be binding upon, shall inure to the benefit of, and shall be enforceable by the parties and their respective legal representatives, successors and permitted assigns.

9.7 Notices. All notices, requests, demands, claims, and other communications hereunder shall be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given (i) when delivered personally to the recipient, (ii) one (1) business day after being sent to the recipient by reputable overnight courier service (charges

prepaid), (iii) one (1) business day after being sent to the recipient by facsimile transmission, provided that an original or photocopy of the document sent is also mailed, postage prepaid, to the address then applicable to such party within 24 hours after such transmission, or (iv) four business days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and addressed to the intended recipient as set forth below:

(i) If to Seller or Shareholder, addressed to:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

With a copy to:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(ii) If to Purchaser, addressed to:

[REDACTED]
[REDACTED] [REDACTED] [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Any party may from time to time, by written notice to the other parties, designate a different address, which shall be substituted for the one specified above for such party.

9.8 Severability. Each provision of this Agreement is intended to be severable. Should any provision of this Agreement or the application thereof be judicially declared to be or become illegal, invalid, unenforceable or void, the remainder of this Agreement will continue in full force and effect and the application of such provision to other Persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto.

9.9 Specific Performance. Each party's obligations under this Agreement are unique. If any party should default in any of its obligations under this Agreement, the parties each acknowledge that it would be impracticable to measure the resulting damages. Accordingly, without prejudice to the right to seek and recover monetary damages, each nondefaulting party shall be entitled to sue in equity for specific performance of this Agreement or other injunctive relief, and each party hereby waives any defense that a remedy in damages would be adequate.

9.10 Cumulative Remedies. No remedy made available hereunder by any of the provisions of this Agreement is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise.

9.11 Press Releases and Public Announcements. No party shall issue any press release or make any public announcement relating to the subject matter of this Agreement prior to the Closing without the prior written approval of the other party.

9.12 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the parties and their respective successors and permitted assigns.

9.13 Counterparts. This Agreement may be executed in one or more counterparts (including by means of facsimile or electronic mail), each of which shall be deemed an original, but all of which together shall constitute a single agreement.

9.14 Expenses. Seller and Shareholder will be solely responsible for and bear all of their respective cost and expenses, including, without limitation, expenses of legal counsel, accountants, brokers, finders and other advisors, incurred in connection with evaluating, negotiating and consummating the proposed transaction incident to this Agreement. Purchaser will be solely responsible for and bear all of its cost and expenses, including, without limitation, expenses of legal counsel, accountants, brokers, finders and other advisors, incurred in connection with evaluating, negotiating and consummating the proposed transaction incident to this Agreement.

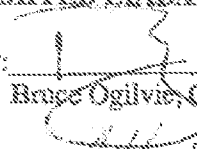
9.15 Bulk Transfer Laws. Purchaser hereby waives compliance by Seller with the laws of any jurisdiction relating to bulk transfers which may be applicable in connection with the transfer of the Purchased Assets to Purchaser.

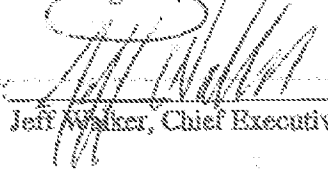
[rest of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned entities have caused this Agreement to be executed by their duly authorized agents, and the undersigned individual has executed this Agreement, as of the date first above stated.

"PURCHASER":

DIRECTTOU LLC, A DELAWARE
LIMITED LIABILITY COMPANY

By: 
Bruce Ogilvie, Chairman

By: 
Jeff Walker, Chief Executive Officer

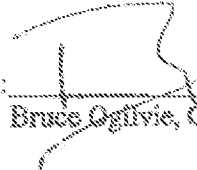
"SELLER":

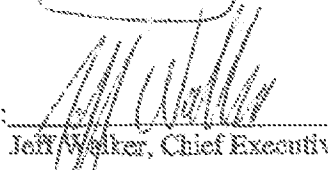
MOVIES UNLIMITED INC.
a Pennsylvania corporation

By: 
[Redacted] Chairman

By: 
[Redacted] an individual

ALLIANCE ENTERTAINMENT HOLDING
CORPORATION, A DELAWARE
CORPORATION, THROUGH ITS
WHOLLY OWNED SUBSIDIARY
DIRECTTOU LLC

By: 
Bruce Ogilvie, Chairman

By: 
Jeff Walker, Chief Executive Officer

LIST OF SCHEDULES AND EXHIBITS

SCHEDULES

Schedule 2.1(a)	FF&E
Schedule 2.1(c)	Inventory
Schedule 2.1(e)	Purchased Receivables
Schedule 2.1(k)	Sites, Numbers and Addresses
Schedule 2.2	Excluded Assets
Schedule 2.4(a)(i)	Certain Excluded Liabilities
Schedule 2.4(a)(iii)	Customer Discounts
Schedule 2.4(a)(iv)	Open Credits
Schedule 2.5(a)	Third Party Payments
Schedule 3.4	Conflicts or Violations
Schedule 3.5	Seller's Required Consents
Schedule 3.6	Pending Litigation
Schedule 3.8(a)	GAAP Exceptions to Seller Financial Statements
Schedule 3.8(b)	Accounts Payable
Schedule 3.9	Seller's Undisclosed Liabilities
Schedule 3.10	Certain Material Adverse Changes
Schedule 3.11	Certain Changes or Events
Schedule 3.12(a)	Title to Purchased Assets
Schedule 3.12(b)	No Encumbrances
Schedule 3.16	Leases
Schedule 3.17	Contracts
Schedule 3.18	Registered Intellectual Property
Schedule 3.19	Seller's Insurance
Schedule 3.20	Permits
Schedule 3.21	Employee Information
Schedule 3.22	Employee Benefit Plans
Schedule 3.23	Compliance with Applicable Laws
Schedule 3.24	Affiliate Transactions
Schedule 3.25	Tax Matters
Schedule 5.5	Purchaser's Required Consents
Schedule 7.1	Copies of Certain Books and Records

EXHIBITS

Exhibit A	Form of Non-Competition Agreement
Exhibit B	Allocation of Purchase Price
Exhibit C	Seller Financial Statements
Exhibit D	Form of Bill of Sale
Exhibit E	Form of Assignment and Assumption Agreement

EXHIBIT A
FORM OF NON-COMPETITION AGREEMENT

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[rest of page intentionally left blank]

IN WITNESS WHEREOF, each of the parties has executed this Agreement as of the date first set forth above.

"PURCHASER":

Direction LLC, a Delaware Limited Liability Company

By: [Signature]
Bruce Ogilvie, Chairman

By: [Signature]
Jeff Walker, Chief Executive Officer

Alliance Entertainment Holding Corporation, a Delaware corporation, through its wholly owned subsidiary Direction LLC

By: [Signature]
Bruce Ogilvie, Chairman

By: [Signature]
Jeff Walker, Chief Executive Officer

"SELLER":

MOVIES UNLIMITED INC.
a Pennsylvania corporation

By: [Signature]
[Redacted] Chairman

By: [Signature]
[Redacted] an individual

EXHIBIT B

ALLOCATION OF THE PURCHASE PRICE

1)

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

EXHIBIT C
SELLER FINANCIAL STATEMENTS

[*See Attached*]

Exhibit C
Page 1 of 1



"SELLER":

MOVIES UNLIMITED INC.
a Pennsylvania corporation

By: 
 Chairman

By: 
 individual

Exhibit D
Page 1 of 1

70045192.10

TRADEMARK
REEL: 005730 FRAME: 0115

EXHIBIT E

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made and entered into as of this 30th day of June 2015, by and between Directtou LLC, a Delaware Limited Liability Company, Alliance Entertainment Holding Corporation, a Delaware corporation, through its wholly owned subsidiary Directtou LLC, ("Assignee"), MOVIES UNLIMITED INC., a Pennsylvania corporation ("Assignor"). Capitalized terms used herein without definition shall have the meanings given to them in that certain Asset Purchase Agreement dated of even date herewith (the "Purchase Agreement"), by and among Assignor, and Assignee.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignor does hereby assign, sell, transfer, set over and deliver to Assignee all of its right, title and interest in and to the following: [REDACTED] and to any other intangible property constituting a portion of the Purchased Assets (collectively, the "Assigned Assets").

2. Assignor covenants and agrees that in the event that (a) any of the Assigned Assets covered in this Agreement cannot be transferred or assigned by it without the consent of or notice to a third party and in respect of which any necessary consent or notice has not as of the date of delivery of this Agreement been given or obtained, or (b) any such Assigned Assets are non-assignable in their nature and title thereto will not pass by this Agreement, the beneficial interest in and to the same will in any event pass to Assignee, and in order that the full value of every such Assigned Asset may be realized, Assignor agrees (i) to collect the monies due and payable, and to become due and payable, to Assignor in and under every such Assigned Asset, and Assignor shall hold, and hereby declares that it holds, such Assigned Assets in trust for, and for the benefit of, Assignee, (ii) to use all reasonable means to obtain and to secure such consent and give such notice as may be required to effect a valid transfer or transfers of such Assigned Assets, and (iii) to make or complete such transfer or transfers as soon as reasonably possible.

3. Assignor hereby covenants that it will, at any time and from time to time, upon written request therefor, execute and deliver to Assignee, its successors and assigns, any new or confirmatory instruments which may be reasonably necessary in order to protect or fully assign and transfer to and vest in Assignee, or its successors and assigns, all of its right, title and interest in and to the Assigned Assets.

4. In addition to the assignment described above, Assignor does hereby grant, bargain, sell, assign, transfer and deliver to Assignee the Assumed Liabilities, and Assignee hereby assumes and agrees to perform, pay and discharge as its obligations, as and when

Exhibit E
Page 1 of 2

lawfully due in accordance with their terms, all of the terms, covenants, conditions, duties, obligations and liabilities of the Assumed Liabilities.

5. This Agreement shall be binding upon and shall inure to the benefit of the legal representatives, successors and assigns of Assignor and Assignee.

6. The provisions hereof shall be governed and interpreted in all respects pursuant to the substantive laws of the State of Florida without regard to its conflict of laws principles.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first above written.

"ASSIGNEE":

Directorou LLC, a Delaware Limited Liability Company

By: [Signature]
Bruce Ogilvie, Chairman

By: [Signature]
Jeff Walker, Chief Executive Officer

"ASSIGNOR":

MOVIES UNLIMITED INC.
a Pennsylvania corporation

By: [Signature]
[Redacted] Chairman

Alliance Entertainment Holding Corporation, a Delaware corporation, through its wholly owned subsidiary Directorou LLC

By: [Signature]
Bruce Ogilvie, Chairman

By: [Signature]
Jeff Walker, Chief Executive Officer