

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

ETAS ID: TM524804

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNMENT OF 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>
Tacony Corporation		03/01/2019	Corporation: MISSOURI
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Hinkley Lighting, Inc.		
<b>Street Address:</b>	33000 Pin Oak Parkway		
<b>City:</b>	Avon Lake		
<b>State/Country:</b>	OHIO		
<b>Postal Code:</b>	44012		
<b>Entity Type:</b>	Corporation: OHIO		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	5048195	REGENCY	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	4406958098		
<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>			
<b>Phone:</b>	440-695-8082		
<b>Email:</b>	durban@wickenslaw.com		
<b>Correspondent Name:</b>	Daniel C. Urban, Esq.		
<b>Address Line 1:</b>	35765 Chester Road		
<b>Address Line 4:</b>	Avon, OHIO 44011		
<b>NAME OF SUBMITTER:</b>	Daniel C. Urban		
<b>SIGNATURE:</b>	/Daniel C. Urban/		
<b>DATE SIGNED:</b>	05/23/2019		
<b>Total Attachments: 31</b>			
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## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated effective as of March 1, 2019, is by and between Tacony Corporation, a Missouri corporation ("Seller"), and Hinkley Lighting, Inc., an Ohio corporation ("Buyer").

WHEREAS, Seller is engaged in the business, among other businesses, of distributing ceiling fans and accessories through its Regency brand (the "Business");

WHEREAS, Seller owns, leases or licenses certain assets used, held for use or intended for use in the operation of the Business; and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, certain assets and to assume certain liabilities of Seller, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the parties hereto, intending to be legally bound, hereby agrees as follows:

### ARTICLE I Definitions

Exhibit A to this Agreement sets forth certain definitions of terms used in this Agreement, and such Exhibit is hereby incorporated by reference as if set forth herein.

### ARTICLE II Sale and Purchase of Acquired Assets

2.1 Sale and Purchase of Acquired Assets. Subject to the terms and conditions of this Agreement, at the Closing and as of the Effective Time, Seller shall sell, transfer and deliver to Buyer, and Buyer shall purchase and accept from Seller, free and clear of all Liens, all of Seller's right, title and interest in and to the following assets, but in each case excluding the Excluded Assets and only to the extent used exclusively in or exclusively attributable to the Business and in existence as of the Closing (each an "Acquired Asset" and collectively, the "Acquired Assets"):

(a) all Inventories, including all right, title and interest in any Inventory listed on Schedule 2.1(a) that is identified as being in transit, whether title to such in transit Inventory is currently vested in Seller or vests hereafter in accordance with the terms of purchase of such in transit Inventory;

(b) intentionally omitted;

(c) (i) all unfilled purchase orders received from customers exclusively with respect to the Business and (ii) all contracts, leases, licenses, agreements, commitments and other arrangements that relate exclusively to the Business and are set forth on Schedule 2.1(c) (items (i) and (ii), collectively, the "Assigned Contracts");

(d) all of the intangible rights and property of Seller, including (but not limited to) Intellectual Property Rights, going concern value, goodwill, telephone, facsimile and e-mail addresses and listings to the extent used exclusively in the Business;

(e) all rights, claims and credits, including insurance rights and proceeds, to the extent relating to any Acquired Asset or any Assumed Liability, including any such items arising under guarantees, warranties, indemnities and similar rights; and

(f) all goodwill associated with the Acquired Assets.

2.2 Excluded Assets. The parties to this Agreement expressly acknowledge and agree that Seller is not selling, assigning, transferring or conveying to Buyer any rights, properties or other assets, other than the Acquired Assets, and all other rights, properties and assets (collectively, the "Excluded Assets") shall be specifically excluded from the Transactions and shall be retained by Seller (except as provided in Section 7.4). For the avoidance of doubt and without limiting the generality of the foregoing, the Excluded Assets include the following rights, properties, and other assets of Seller:

(a) all assets identified in Schedule 2.2;

(b) all cash and cash equivalents and short-term investments as of Closing;

(c) all rights, claims and credits, including insurance rights and proceeds, to the extent relating to any Excluded Asset or Excluded Liability, including any such items arising under guarantees, warranties, indemnities and similar rights;

(d) all claims for refund of Taxes and other governmental charges of whatever nature;

(e) all of Seller's rights under this Agreement and the Ancillary Agreements;

(f) all pre-paid insurance premiums and all insurance policies and benefits, including rights and proceeds, thereunder;

(g) all records prepared in connection with the sale contemplated by this Agreement and/or the Transactions, including all records associated with the services of or prepared by Armstrong Teasdale LLP, and all Tax Returns, stock records, minute books, corporate seals and similar corporate records of Seller;

(h) all personnel records and other records that Seller is required by any Law to retain in its possession; and

(i) any other asset not used exclusively in or exclusively attributable to the Business.

2.3 Assumption of Certain Liabilities.

(a) Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, Buyer shall assume, effective as of the Effective Time, and from and after the Effective Time, Buyer shall pay, perform and discharge when due, (i) all Liabilities under the Assigned Contracts other than any Liabilities arising out of a breach by Seller of such Assigned Contract that occurred prior to Effective Time, (ii) all liabilities with respect to warranty claims and product returns with respect to products sold in the Business prior to Closing, and (iii) all customer rebate liability and cooperative liabilities, in each case with respect to products sold in the Business prior to Closing (clauses (i) through (iii), collectively, the "Assumed Liabilities").

(b) Excluded Liabilities. Notwithstanding any other provision of this Agreement, Seller shall retain and Buyer shall not assume any Excluded Liability. The term "Excluded Liability" means all Liabilities of Seller except for Assumed Liabilities.

### **ARTICLE III** **Transaction Pricing**

3.1 Purchase Price. The aggregate purchase price under this Agreement for the Acquired Assets (the "Purchase Price") shall be calculated and paid as follows:

(a) At Closing, Buyer shall pay to Seller in immediately available funds by wire transfer to an account designated by Seller One Million Twenty-Five Thousand Six Hundred Twenty-Three and 49/100ths Dollars (\$1,025,623.49) (the "Closing Date Payment"), which is calculated as follows:

(i) One Million Dollars (\$1,000,000), plus

(ii) One Million One Hundred Thirty-Eight Thousand Thirty-Seven and 49/100ths Dollars (\$1,138,037.49), which represents an Inventory value (excluding in transit Inventory) of One Million Two Hundred Thirty-Two Thousand Seven Hundred Fifty-Four and 05/100ths Dollars (\$1,232,754.05) less a Ninety-Four Thousand Seven Hundred Sixteen and 56/100ths Dollars (\$94,716.56) valuation adjustment, less

(iii) a Twenty-Five Thousand Dollar (\$25,000) inventory holdback (the "Inventory Holdback"), less

(iv) an Eighty Thousand Dollar (\$80,000) warranty reserve, less

(v) a customer rebate reserve of Seven Thousand Four Hundred Fourteen Dollars (\$7,414).

(b) Promptly following receipt of the in transit Inventory, Buyer shall pay to Seller in immediately available funds by wire transfer to an account designated by Seller the In Transit Inventory Value.

(c) On April 1, 2019 (the "Accounts Receivable Transfer Date"), Buyer shall pay to Seller in immediately available funds by wire transfer to an account designated by Seller (i) the Accounts Receivable Value, plus (ii) the Inventory Holdback, less the value of any Inventory (other than in transit Inventory) that is not loaded onto the trucks for delivery to Buyer following Closing, times the adjusted per unit price of such missing Inventory, consistent with Schedule 2.1(a), plus (iii) Three Thousand One Hundred Fifty Dollars (\$3,150) (the "Transition Services Payment") (items (i), (ii) and (iii), collectively, the "April 1 Payment").

In addition to the foregoing, Buyer shall also assume the Assumed Liabilities at Closing.

3.2 Allocation. The Purchase Price shall be allocated among the Acquired Assets in accordance with Section 1060 of the Code, and any comparable provisions of applicable state, local or foreign law, as agreed upon by the parties. The preliminary Purchase Price allocation is set forth in Schedule 3.2, which allocation will be promptly updated by mutual agreement of Buyer and Seller to reflect the final Purchase Price, consistent with the preliminary Purchase Price allocation. Buyer and Seller agree to file all returns and reports including, without limitation, all federal, state, local, and

foreign income and franchise tax returns, on the basis of such final allocation (except to the extent that a different allocation is subsequently determined by a taxing authority to be required).

#### **ARTICLE IV** **Closing**

4.1 Date of Closing; Effective Time. The consummation of the Transactions (the "Closing") shall take place at the offices of Armstrong Teasdale LLP, 7700 Forsyth Blvd., Suite 1800, St. Louis, MO 63105 (or at such other place as the parties may agree in writing) at 10:00 a.m. on the date hereof, or on a date mutually designated by the parties hereto (the "Closing Date") and shall be effective as of 12:01 a.m. on the Closing Date (the "Effective Time"). At the Closing, the parties shall execute and deliver the documents specified in Sections 4.2 and 4.3 below.

4.2 Closing Deliveries by Seller. Unless waived by Buyer in its sole discretion by a writing expressly to such effect and delivered to Seller at or prior to Closing, Seller shall deliver at Closing:

(a) Ancillary Agreements. Duly executed counterparts of the following additional agreements (the "Ancillary Agreements"):

(i) assignment and assumption agreement(s), in mutually agreed form, duly executed and delivered by Seller, conveying all right, title, and interest in and to the Assigned Contracts;

(ii) bill(s) of sale, in mutually agreed form, duly executed and delivered by Seller, conveying all right, title, and interest in the Acquired Assets;

(iii) assignment(s) of intellectual property rights, in mutually agreed form, duly executed and delivered by Seller, conveying all right, title, and interest in and to the Intellectual Property Rights;

(iv) a certificate of the Secretary of Seller (A) certifying, as complete and accurate as of the Closing, attached copies of the organizational documents of Seller, (B) certifying and attaching all requisite resolutions or actions of Seller's board of directors, approving the execution and delivery of this Agreement and the consummation of the Transactions and (C) certifying to the incumbency and signatures of the officers of Seller executing this Agreement and any other document relating to the Transactions;

(v) with respect to Seller, a certificate of good standing issued by the Missouri Secretary of State; and

(vi) the side letter, in mutually agreed form, duly executed and delivered by Seller (the "Side Letter").

(b) Consents and Estoppel Certificates. All necessary consents, if any, in form and substance reasonably satisfactory to Buyer, to the assignment of the Assigned Contracts, duly executed and delivered by the appropriate other parties to such Assigned Contracts.

(c) Releases. All releases, if any, duly executed and delivered by the relevant parties (including, where relevant, in recordable form), legally required or necessary to release all Liens on the Acquired Assets.

4.3 Buyer Closing Deliveries. Unless waived by Seller in its sole discretion by a writing expressly to such effect and delivered to Buyer at or prior to Closing, Buyer shall deliver at Closing:

(a) Payment. Payment of the Closing Date Payment in accordance with Section 3.1(a).

(b) Buyer's Secretary's Certificate. A certificate of the Secretary of Buyer (i) certifying, as complete and accurate as of the Closing, attached copies of the organizational documents of Buyer, (ii) certifying and attaching all requisite resolutions or actions of Buyer's board of directors and, if applicable, shareholders, approving the execution and delivery of this Agreement and the consummation of the Transactions and (iii) certifying to the incumbency and signatures of the officers of Buyer, executing this Agreement and any other document relating to the Transactions, along with a certificate of good standing, with respect to the Buyer, issued by the Ohio Secretary of State.

(c) Ancillary Agreements. Those Ancillary Agreements which are to be executed and delivered by Buyer, duly executed by Buyer.

4.4 Buyer Post-Closing Delivery. Buyer shall deliver to Seller the April 1 Payment in accordance with Section 3.1(c).

## ARTICLE V Representations and Warranties of Seller

Seller hereby represents and warrants to Buyer as follows, as of the Closing:

5.1 Organization and Standing. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri. Seller has full corporate power and authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on the Business as currently conducted.

5.2 Enforceability; Authority; No Conflicts; Consents.

(a) This Agreement and the Ancillary Agreements to which Seller is a party constitute the legal, valid and binding obligation of Seller, enforceable against it in accordance with their terms, subject to the General Enforceability Exceptions. Seller has the absolute and unrestricted right, power and authority to execute and deliver this Agreement and the Ancillary Agreements to which it is a party and to perform its obligations under this Agreement and the Ancillary Agreements to which it is a party, and such action has been duly authorized by all necessary corporate action on the part of Seller.

(b) Except as set forth in Schedule 5.2(b), the execution and delivery by Seller of this Agreement and the Ancillary Agreements to which it is a party does not and the consummation of the Transactions and compliance by Seller with the terms hereof and thereof will not, directly or indirectly (with or without notice or lapse of time) (i) violate or conflict with the governing documents of Seller; (ii) conflict with, or result in the breach or termination of, or constitute a default under, or accelerate or permit the acceleration of the performance required by, any indenture, mortgage, Lien, lease, agreement, commitment, contract or other instrument or any Order to which Seller is a party or by which it or its properties are bound; (iii) constitute a violation of any Law applicable to Seller; (iv) result in the creation of any Lien, charge or encumbrance upon the properties or assets of Seller except, in the

case of clauses (ii), (iii) and (iv), such conflicts, breaches, defaults, violations, accelerations, Liens, charges and encumbrances that would not, individually or in the aggregate, have a Material Adverse Effect; or (v) result in any shareholder of Seller having the right to exercise dissenters' appraisal rights.

(c) Except as set forth in Schedule 5.2(c), no consent, approval, Permit, order or authorization by, notice to, or registration, declaration or filing with, any Person is required to be obtained by Seller in connection with the execution, delivery and performance of this Agreement or any Ancillary Agreement by Seller or the consummation of the Transactions that if not obtained would have a Material Adverse Effect.

### 5.3 Accounts Receivable and Inventory.

(a) As of the Accounts Receivable Transfer Date, (a) all Accounts Receivable in existence as of the Accounts Receivable Transfer Date that are transferred to Buyer pursuant to the Side Letter (the "Transferred Accounts Receivable") represent valid obligations arising from sales actually made or services actually performed by Seller in the Ordinary Course of Business, and (b) to Seller's Knowledge, except as disclosed to Buyer as of the Accounts Receivable Transfer Date, there is no contest, claim, defense or right of setoff, other than returns in the Ordinary Course of Business of Seller, under any Assigned Contract relating to the amount or validity of any Transferred Accounts Receivable.

(b) All items included in the Inventory consist of a quality and quantity usable and, with respect to finished goods, saleable, in the Ordinary Course of Business of Seller except for obsolete items and items of below-standard quality noted on Schedule 2.1(a). No Inventory is stored with a bailee, warehouseman or similar party (other than the in transit Inventory), nor is any Inventory consigned to any Person.

### 5.4 Intellectual Property Rights.

(a) Schedule 5.4(a) sets forth a complete list of all registered Intellectual Property Rights as of the Closing and all pending patent, trademark and copyright applications for Intellectual Property Rights (the "Seller IP").

(b) Except as set forth in Schedule 5.4(b), to the Seller's Knowledge, (i) Seller is the sole and exclusive owner of, and has the right to use, all Seller IP, and (ii) all Seller IP is valid, subsisting and enforceable (subject to the General Enforceability Exceptions).

(c) To the Seller's Knowledge, except as set forth in Schedule 5.4(c), (i) no Person is currently infringing or otherwise violating or has infringed or otherwise violated during the past two (2) years, any right of Seller with respect to any Seller IP and (ii) Seller is not currently infringing or otherwise violating or has infringed or otherwise violated during the past two (2) years, any intellectual property rights of any third-party.

### 5.5 Contracts.

(a) Schedule 5.5(a) contains an accurate and complete list of all material contracts that are related to the Acquired Assets and to which Seller is a party.

(b) Except as set forth on Schedule 5.5(b), all Assigned Contracts are valid, binding and in full force and effect and are enforceable by Seller in accordance with their terms, subject to the



General Enforceability Exceptions. Except as set forth on Schedule 5.5(b), Seller has performed the obligations required to be performed by it in all material respects to date under each Assigned Contract and is not (with or without the lapse of time or the giving of notice, or both) in breach or default in any material respect thereunder and, to the Seller's Knowledge, no other party to any Assigned Contract is (with or without the lapse of time or the giving of notice, or both) in breach or default in any material respect thereunder. Seller has not received any written notice of the intention of any party to terminate any Assigned Contract.

(c) Schedule 5.5(c) sets forth each Assigned Contract which requires the consent, approval or waiver of, or notice to, the other party or parties thereto by virtue of the execution and delivery of this Agreement or the consummation of the Transactions to avoid the invalidity of the transfer of such contract, the termination thereof or a breach, violation or default thereunder.

5.6 Proceedings. Schedule 5.6 sets forth a list of each Proceeding pending or Threatened at any time since January 1, 2017 by or against Seller which relates to the Business.

5.7 Compliance With Laws. Except as disclosed in Schedule 5.7, since January 1, 2018, Seller has complied in all material respects with all Laws that are as of the Closing Date or were applicable in any material respect to the conduct or operation of the Business or the ownership or use of any of the Acquired Assets.

5.8 Brokers or Finders. Except as set forth in Schedule 5.8, Seller has not incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payments in connection with the sale of the Business or the Acquired Assets or the Transactions.

**5.9 Disclaimer. EXCEPT AS TO THOSE MATTERS EXPRESSLY COVERED BY THE REPRESENTATIONS AND WARRANTIES IN THIS ARTICLE V, SELLER EXPRESSLY DISCLAIMS ALL, AND NO PERSON SHALL BE ENTITLED TO RELY UPON ANY, OTHER REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.**

## ARTICLE VI

### Representations and Warranties of Buyer

Buyer represents and warrants to Seller, as of Closing, as follows:

6.1 Organization and Standing. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio. Buyer has the full corporate power and authority necessary to enable it to own, lease or otherwise hold its properties and assets, to carry on its business as currently conducted and to enter into this Agreement, the Ancillary Agreements to which it is a party, and the other documents and instruments to be executed and delivered by it pursuant hereto and to consummate the Transactions.

6.2 Enforceability; Authority; No Conflicts; Consents.

(a) This Agreement and the Ancillary Agreements to which it is a party constitute the legal, valid and binding obligation of Buyer, enforceable against it in accordance with their terms,

subject to the General Enforceability Exceptions. Buyer has the absolute and unrestricted right, power and authority to execute and deliver this Agreement and the Ancillary Agreements to which it is a party and to perform its obligations under this Agreement and the Ancillary Agreements to which it is a party, and such action has been duly authorized by all necessary corporate action on the part of Buyer.

(b) The execution and delivery by Buyer of this Agreement and the Ancillary Agreements to which it is a party does not and the consummation of the Transactions and compliance by Buyer with the terms hereof and thereof will not, directly or indirectly (with or without notice or lapse of time) (i) violate or conflict with the governing documents of Buyer; (ii) conflict with, or result in the breach or termination of, or constitute a default under, or accelerate or permit the acceleration of the performance required by, any indenture, mortgage, Lien, lease, agreement, commitment, contract or other instrument or any Order to which Buyer is a party or by which it or its properties are bound; (iii) constitute a violation of any Law applicable to Buyer; or (iv) result in the creation of any Lien, charge or encumbrance upon the properties or assets of Buyer except, in the case of clauses (ii), (iii) and (iv), such conflicts, breaches, defaults, violations, accelerations, Liens, charges and encumbrances that would not, individually or in the aggregate, have a Material Adverse Effect.

(c) Except as set forth in Schedule 6.2(c), no consent, approval, Permit, order or authorization by, notice to, or registration, declaration or filing with, any Person is required to be obtained by Buyer in connection with the execution, delivery and performance of this Agreement or any Ancillary Agreement by Buyer or the consummation of the Transactions that if not obtained would have a Material Adverse Effect.

6.3 Proceedings. There are no Proceedings pending or Threatened that question the validity of this Agreement or any action taken or to be taken by Buyer in connection with this Agreement. There is no Proceeding pending or Threatened, or any Order outstanding, against Buyer that, if adversely determined, would materially and adversely affect the ability of Buyer to perform its obligations under this Agreement.

6.4 Financing. Buyer: (a) has, and at the Closing will have, sufficient internal funds, firm commitments for credit facilities and/or equity contributions available to pay the amounts required to be paid to Seller hereunder and any expenses incurred by Buyer in connection with the Transactions; (b) has, and at the Closing will have, the resources and capabilities (financial or otherwise) to perform Buyer's obligations hereunder; and (c) has not incurred any Liability of any kind that would impair or adversely affect in any material respect such resources and capabilities.

6.5 Insolvency. Immediately after giving effect to the consummation of the Transactions:

(a) the fair saleable value (determined on a going concern basis) of the assets of Buyer shall be greater than the total amount of its liabilities (including all liabilities, whether or not reflected in a balance sheet prepared in accordance with generally accepted accounting principles);

(b) Buyer shall be able to pay its debts and obligations in the ordinary course of business as they become due; and

(c) Buyer shall have adequate capital to carry on its businesses and all businesses in which it is about to engage following the Closing.

6.6 Independent Investigation; No Reliance. Without limiting the effect of Section 5.9, in connection with its decision to consummate the Transactions, Buyer and/or its representatives have inspected and conducted such reasonable independent review, investigation and analysis (financial and otherwise) of the Business as desired by Buyer. Buyer has had an opportunity to ask questions and receive answers to its satisfaction from Seller and its representatives regarding the Business, and Buyer is capable of evaluating the risks and merits of its decision to purchase the Acquired Assets and of protecting its own interests in connection therewith. The purchase of the Acquired Assets by Buyer and the consummation of the Transactions by Buyer are not done in reliance upon any representation or warranty by, or information from, Seller or any of its Affiliates, employees or representatives of any sort, whether oral or written, express or implied, including any implied warranty of merchantability or of fitness for a particular purpose, except for the representations and warranties specifically and expressly set forth in Article V in each case, as modified by the Schedules hereto), and Buyer acknowledges that Seller expressly disclaims any other representations and warranties. Such purchase and consummation are instead done entirely on the basis of Buyer's own investigation, analysis, judgment and assessment of the present and potential value and earning power of the Acquired Assets as well as those representations and warranties specifically and expressly set forth in Article V (in each case, as modified by the Schedules hereto). Buyer acknowledges that neither Seller nor any other Person has made any representations or warranties to the Buyer regarding the probable success or profitability of Seller or the Business. Buyer further acknowledges that neither Seller nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding Seller, the Business, the Acquired Assets or the Transactions not specifically and expressly set forth in Article V (in each case as modified by the Schedules hereto), and except as set forth in Article VIII, neither Seller nor any other Person will have or be subject to any Liability to the Buyer or any other Person resulting from the distribution to Buyer or its representatives or Buyer's use of any such information, including any electronic or "virtual" data room information provided to Buyer or its representatives, or any other document or information in any form provided to Buyer or its representatives, including management presentations or projections, in connection with the purchase and sale of the Acquired Assets and the Transactions; provided, however, that nothing herein shall prevent Buyer from bringing a claim of Actual Fraud against Seller.

## **ARTICLE VII**

### **Further Agreements of the Parties**

#### 7.1 Certain Tax Matters.

(a) All federal, state and local sales, documentary, real property transfer tax or real property gains tax, stamp tax, stock transfer tax, or other similar Tax imposed a result of the Transactions (collectively, "Transfer Taxes"), and any penalties or interest with respect to the Transfer Taxes, shall be borne and paid by the party required to pay any such Transfer Taxes under applicable Law. Each party agrees to cooperate with the other in the filing of any returns with respect to the Transfer Taxes, including promptly supplying any information in its possession that is reasonably necessary to complete such returns.

(b) Buyer and Seller shall reasonably cooperate in connection with the preparation and filing of any Tax Returns in connection with the Business and any audit, litigation or other proceeding with respect to Taxes payable in connection with the Business.

(c) Provided that the satisfaction of such request does not have adverse consequences to the requested party, Buyer and Seller further agree, upon request from the other party, to use their commercially reasonable efforts to obtain any certificate or other document from any Governmental Entity or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including, but not limited to, with respect to the Transactions).

(d) Any Tax refunds that are received by Buyer or Seller that are the property of the other party shall be paid over to the other party within fifteen (15) days after receipt or entitlement thereto.

(e) With respect to any Tax claim against Seller solely to the extent such Tax claim has given rise to an indemnity obligation under Article VIII, Seller shall, at its own expense, control all proceedings taken in connection with such Tax claim (including selection of counsel and accountants) and, without limiting the foregoing, may in its sole discretion pursue or forego any and all administrative appeals, proceedings, hearings, audits and conferences with any taxing authority with respect thereto and may, in its sole discretion, either pay the Tax claimed and sue for a refund where law permits such refund suits or contest the Tax claim in any permissible manner; provided, however, that Seller shall afford Buyer the opportunity to participate, as may reasonably be requested by Buyer, with Seller in contesting any Tax claim solely to the extent such Tax claim has given rise to an indemnity obligation under Article VIII or could reasonably be expected to have a detrimental effect on Buyer.

#### 7.2 Preservation of Records; Assistance.

(a) Records. Buyer agrees, at its own expense, (i) to preserve and keep the material records of the Business, to the extent provided by Seller, for a period of five (5) years after the Closing Date, or for any longer periods as may be expressly required by any Law, Governmental Entity or Proceeding; and (ii) to make such records available to Seller as may be reasonably required by Seller, provided, that Seller shall reimburse Buyer for any reproduction costs.

(b) Assistance. After the Closing, Buyer shall make available to Seller such of its employees and professional representatives, at such time or times as Seller shall reasonably request without unduly interfering with the conduct of Buyer's business, in order to assist Seller in the investigation or evaluation of or litigation with respect to any Excluded Liabilities; provided, however, that Seller shall reimburse Buyer in respect of Buyer's documented out-of-pocket expenses and/or professional fees incurred in compliance with this Section 7.2.

7.3 Further Assurances. The parties shall cooperate reasonably with each other and in connection with any steps required to be taken as part of their respective obligations under this Agreement, and shall (a) furnish upon request to each other such further information; (b) execute and deliver to each other such other documents; and (c) do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the Transactions.

7.4 Accounts Receivable. At the Accounts Receivable Transfer Date, Seller shall sell, transfer and deliver to Buyer, and Buyer shall purchase and accept from Seller, free and clear of all Liens, all of Seller's right, title and interest in and to the Transferred Accounts Receivable (excluding, if any, any Excluded Assets) in exchange for payment by Buyer to Seller of the Accounts Receivable Value in accordance with Section 3.1(c). Buyer and Seller shall reasonably cooperate to ensure that all payments made by customers are properly allocated to Buyer and Seller in accordance with the intent of

this Agreement, including remitting to the other party any payments belonging to such other party. From and after the Accounts Receivable Transfer Date, the Transferred Accounts Receivable shall also be considered Acquired Assets.

7.5 Transition Services. From Closing until April 1, 2019, Seller shall provide reasonable transition services to Buyer in exchange for the Transition Services Payment.

7.6 Sales Rep Payments. Seller shall pay to Seller's sales representatives all commissions earned on orders placed prior to Closing but delivered after Closing in accordance with the terms and conditions of the sales representatives' contracts with Seller, and Buyer shall promptly reimburse Seller for such payments.

7.7 Inventory. Buyer shall be responsible for the freight costs associated with moving any Inventory from Seller's warehouse to Buyer's facility.

## **ARTICLE VIII** **Indemnification and Related Matters**

### 8.1 Indemnification.

(a) Seller's Indemnity Obligation. Subject to the provisions of this Article VIII, from and after the Closing, Seller agrees to indemnify and hold Buyer and its Affiliates, successors and assigns (and their respective officers, directors, managers, owners, employees and agents) harmless from and against on a dollar for dollar basis any loss, liability, damage, cost, and expense, including reasonable legal fees, without duplication, (collectively and subject to Section 8.2, "Losses") to the extent arising from:

- (i) any breach of any representation or warranty of Seller in this Agreement;
- (ii) any breach of any covenant of Seller in this Agreement;
- (iii) any Excluded Liability; and
- (iv) any fees, expenses or other payments incurred or owed by Seller to any brokers, financial advisors or comparable other Persons retained or employed by any of them in connection with the Transactions.

(b) Buyer's Indemnity Obligation. Subject to the provisions of this Article VIII, from and after the Closing, Buyer agrees to indemnify and hold Seller and its Affiliates, successors and assigns (and their respective officers, directors, managers, owners, trustees, employees and agents) harmless from and against on a dollar for dollar basis any Losses to the extent arising from:

- (i) any breach of any representation or warranty of Buyer in this Agreement;
- (ii) any breach of any covenant of Buyer in this Agreement;
- (iii) any Assumed Liability; and

(iv) any fees, expenses or other payments incurred or owed by Buyer to any brokers, financial advisors or comparable other Persons retained or employed by it in connection with the Transactions.

8.2 Determination of Losses and Related Matters.

(a) Calculation of Losses Payable in Certain Circumstances. In calculating any amounts payable pursuant to Section 8.1 hereof, (i) the Indemnifying Person (as defined in Section 8.4(a)) shall receive credit for any insurance recoveries to be received relating to such Losses and tax benefits related to such Losses, and (ii) Losses shall not include any amount for punitive or consequential damages. If any such proceeds or recoveries are received by an Indemnified Person (as defined in Section 8.4(a)) (or any of its Affiliates) with respect to any Losses after an Indemnifying Person has made a payment to the Indemnified Person with respect thereto, the Indemnified Person (or such Affiliate) shall pay to the Indemnifying Person the amount of such proceeds or recoveries; provided, however, that the amount paid shall not exceed such amount previously paid by the Indemnifying Person to the Indemnified Person. With respect to any Losses incurred or suffered by an Indemnified Person, no liability shall attach to the Indemnifying Person in respect of any Losses to the extent that the same Losses have been recovered by the Indemnified Person from the Indemnifying Person; accordingly, the Indemnified Person may only recover once in respect of the same Losses.

(b) Limitations.

(i) Seller shall not have Liability under Section 8.1(a)(i) of this Agreement for any claim for Losses thereunder unless the aggregate amount of the Losses to Seller from all claims under Section 8.1(a)(i) exceeds Twenty-Five Thousand Dollars (\$25,000) (the "Basket") and, in such event, Seller shall be required to pay only the amount by which such aggregate amount of such Losses exceeds said Basket, subject to the limitations set forth in clause (ii) below; and, provided, further, that the Basket set forth in this sentence shall not be applicable to the indemnity obligations for any alleged breach of the representations and/or warranties under Sections 5.1, 5.2(a), and/or 5.8. For the avoidance of doubt, in calculating whether the above described Basket has been met, all materiality qualifiers shall be disregarded.

(ii) Seller's aggregate Liability for Losses under this Agreement shall not exceed Ten Percent (10%) of the Purchase Price (the "Cap"), provided that the Cap shall not be applicable to the indemnity obligations for any alleged breach of the representations and/or warranties under Sections 5.1, 5.2(a) and/or 5.8 or in the event of Seller's Actual Fraud.

(iii) Seller shall have no obligation to indemnify any Person under Section 8.1(a)(i) if Buyer had Knowledge of such breach prior to Closing. Buyer shall have no obligation to indemnify any Person under Section 8.1(b)(i) if Seller had Knowledge of such breach prior to Closing.

(c) Sole Remedy. Other than with respect to any right to injunctive relief or claims of Actual Fraud, the indemnification provided for in this Article VIII shall, from and after the Closing Date, be the sole remedy for any dispute arising under or relating to this Agreement.

### 8.3 Time and Manner of Certain Claims.

(a) Time Limits. Except as otherwise expressly provided herein, Seller shall be liable for Losses under Section 8.1(a)(i) hereof only to the extent that notice of a claim therefor is asserted by Buyer in writing and delivered prior to August 15, 2020 provided, however, that this time limit shall end at the end of the applicable statute of limitations period for the representations and warranties of Seller set forth in Sections 5.1, 5.2(a) and/or 5.8.

(b) Content of Claim Notice. Without limiting the effect of Section 8.4, any notice of a claim shall be promptly given and state in reasonable detail the facts giving rise to the alleged basis for the claim and, if reasonably possible, the estimated amount of Liability asserted by reason of the claim, provided that such estimate shall in no way limit the amount recoverable hereunder.

### 8.4 Defense of Claims by Third Parties.

(a) Promptly after receipt by a Person entitled to indemnity under Section 8.1(a) or 8.1(b) (an "Indemnified Person") of notice of the assertion of a Third Party Claim against it, such Indemnified Person shall give notice to the Person(s) obligated to indemnify under such Section (an "Indemnifying Person") of the assertion of such Third Party Claim, provided that the failure to notify the Indemnifying Person will not relieve the Indemnifying Person of any liability that it may have to any Indemnified Person, except to the extent that the Indemnifying Person demonstrates that the defense of such Third Party Claim is prejudiced by the Indemnified Person's failure to give such notice.

(b) The Indemnifying Person shall be entitled to participate in the defense of such Third Party Claim and, to the extent that it wishes (unless (i) the Indemnifying Person is also a Person against whom the Third Party Claim is made and the Indemnified Person determines in good faith that joint representation would be inappropriate or (ii) the Indemnifying Person fails to provide reasonable assurance to the Indemnified Person of its financial capacity to defend such Third Party Claim and to provide indemnification with respect to such Third Party Claim), to assume the defense of such Third Party Claim with counsel reasonably satisfactory to the Indemnified Person. After notice from the Indemnifying Person to the Indemnified Person of its election to assume the defense of such Third Party Claim, the Indemnifying Person shall not, so long as it diligently conducts such defense, be liable to the Indemnified Person under this Article VIII for any fees of other counsel or any other expenses with respect to the defense of such Third Party Claim, in each case subsequently incurred by the Indemnified Person in connection with the defense of such Third Party Claim. If the Indemnifying Person assumes the defense of a Third Party Claim, no compromise or settlement of such Third Party Claims may be effected by the Indemnifying Person without the Indemnified Person's prior written consent (which shall not be unreasonably conditioned, delayed or withheld) unless (A) there is no finding or admission of any violation of Law or any violation of the rights of any Person; and (B) the sole relief provided is monetary damages that are paid in full by the Indemnifying Person. If notice is given to an Indemnifying Person of the assertion of any Third Party Claim and the Indemnifying Person does not, within twenty (20) days after the Indemnified Person's notice is given, give notice to the Indemnified Person of its election to assume the defense of such Third Party Claim, the Indemnified Person shall assume the defense of such Third Party Claim. If the Indemnified Person assumes the defense of a Third Party Claim, no compromise or settlement of such Third Party Claims may be effected by the Indemnified Person without the Indemnifying Person's prior written consent (which shall not be unreasonably conditioned, delayed or withheld). An Indemnifying Person that elects not to assume the defense of a Third Party Claim shall be permitted to participate in such defense at its own expense.

(c) With respect to any Third Party Claim subject to indemnification under this Article VIII: (i) both the Indemnified Person and the Indemnifying Person, as the case may be, shall keep the other Person fully informed of the status of such Third Party Claim and any related Proceedings at all stages thereof where such Person is not represented by its own counsel, and (ii) the parties agree (each at its own expense) to render to each other such assistance as they may reasonably require of each other and to cooperate in good faith with each other in order to ensure the proper and adequate defense of any Third Party Claim.

(d) With respect to any Third Party Claim subject to indemnification under this Article VIII, the parties agree to use commercially reasonable efforts to cooperate in such a manner as to preserve in full (to the extent possible) the confidentiality of the other party's confidential information and the attorney-client and work-product privileges. In connection therewith, each party agrees that: (i) it will use its commercially reasonable efforts, in respect of any Third Party Claim in which it has assumed or participated in the defense, to avoid production of the other party's confidential information (consistent with applicable law and rules of procedure), and (ii) all communications between any party hereto and counsel responsible for or participating in the defense of any Third Party Claim shall, to the extent reasonably possible, be made so as to preserve any applicable attorney-client or work-product privilege.

8.5 Other Claims. Subject to the limitations set forth in this Article VIII, a claim for indemnification for any matter not involving a Third Party Claim may be asserted by a written claim notice in accordance with Section 8.3(b) to the party from whom indemnification is sought.

8.6 Survival. All representations, warranties, covenants and obligations in this Agreement shall, subject to Section 8.3(a), survive the Closing and the consummation of the Transactions.

## **ARTICLE IX** **Miscellaneous**

### 9.1 Notices.

(a) All notices, demands, requests, and other communications desired or required to be given hereunder ("Notices"), shall be in writing and shall be given by: (i) hand delivery to the address for Notices; (ii) delivery by overnight courier service to the address for Notices; or (iii) United States mail, postage prepaid, certified mail, return receipt requested, addressed to the address for Notices.

(b) All Notices shall be deemed given, received and effective upon the earlier to occur of: (i) the hand delivery of such Notice to the address for Notices; (ii) one Business Day after the deposit of such Notice with an overnight courier service by the time deadline for next day delivery addressed to the address for Notices; or (iii) three Business Days after depositing the Notice in the United States mail as set forth in subparagraph (a) immediately above. All Notices shall be addressed to the following addresses:



If to Buyer, to: Hinkley Lighting, Inc.  
33000 Pin Oak Parkway  
Avon Lake, Ohio 44012  
Attn: Eric Wiedemer,  
Vice-President and General Counsel

With a copy (which shall not constitute notice) to: Wickens Herzer Panza  
35765 Chester Road  
Avon, Ohio 44011-1262  
Attn: Daniel C. Urban, Esq.

If to Seller, to: Tacony Corporation  
1760 Gilsinn Ln.  
Fenton, MO 63026  
Attn: Brad Overby

With a copy (which shall not constitute notice) to: Armstrong Teasdale LLP  
7700 Forsyth Blvd. Suite 1800  
St. Louis, MO 63105  
Attn: Jennifer Byrne

or to such other persons or at such other place as any party hereto may by Notice designate as a place for service of Notice.

9.2 No Waiver; Modifications in Writing. No failure or delay on the part of any party in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to any party at law or in equity or otherwise. No amendment, modification, supplement, termination or waiver of or to any provision of this Agreement, or consent to any departure therefrom, shall be effective unless the same shall be in writing and signed by or on behalf of the party to be charged with the enforcement thereof. Any amendment, modification or supplement of or to any provision of this Agreement, any waiver of any provision of this Agreement, and any consent to any departure from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

9.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, but without regard to provisions thereof relating to conflicts of law.

9.4 Intentionally omitted.

9.5 Relationship. Nothing contained in this Agreement and no action taken by the parties pursuant hereto shall be deemed to constitute the parties a partnership, an association, a joint venture or other entity.

9.6 Publicity. From and after the Closing, Buyer and Seller shall consult with each other before issuing any press release concerning the Transactions and, except as may be required by

applicable Law, will not issue a press release prior to such consultation. If Buyer or Seller or any of their respective Affiliates is so required to issue a press release, it shall use its best efforts to inform the other party hereto prior to issuing it. Seller and Buyer will consult with each other concerning the means by which the Business's customers, suppliers and others having dealings with the Business will be informed of the Transactions.

9.7 Headings and Captions. The titles or captions of sections and paragraphs in this Agreement are provided for convenience of reference only, and shall not be considered a part hereof for purposes of interpreting or applying this Agreement, and such titles or captions do not define, limit, extend, explain or describe the scope or extent of this Agreement or any of its terms or conditions.

9.8 Construction; Certain Definitions. Neither this Agreement nor any Ancillary Agreement shall be construed more strongly against any party regardless of who was more responsible for its preparation.

9.9 Gender and Number. Words and phrases herein shall be construed as in the singular or plural number and as masculine, feminine or neuter gender, according to the context. The use of the words "herein," "hereof," "hereunder" and other similar compounds of the word "here" shall refer to this entire Agreement and not to any particular article, section, paragraph or provision. The term "person" and words importing persons as used in this Agreement shall include firms, associations, partnerships, limited partnerships, joint ventures, trusts, corporations and other legal entities, including public or governmental bodies, agencies or instrumentalities, as well as natural persons.

9.10 Binding Effect on Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, legal representatives and assigns. No party hereto may assign its rights or obligations under this Agreement or any agreement, document or instrument contemplated hereby without the prior written consent of the other parties hereto; provided, however, that Buyer may collaterally assign its rights hereunder to any lender providing financing in connection with the Transactions. Any attempted assignment in violation of this Section 9.10 shall be void. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto (and the Indemnified Persons with respect to Article VIII and the respective heirs, successors, legal representatives and assigns of all of the foregoing) any rights, remedies, Liabilities or obligations under or by reason of this Agreement.

9.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and in making proof hereof, it shall not be necessary to produce or account for more than one such counterpart. The exchange of copies of this Agreement and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or electronic transmission shall be deemed to be their original signatures for all purposes.

9.12 Severability. In the event any provision of this Agreement is held invalid, illegal or unenforceable, in whole or in part, the remaining provisions of this Agreement shall not be affected thereby and shall continue to be valid and enforceable. In the event any provision of this Agreement

is held to be unenforceable as written, but enforceable if modified, then such provision shall be deemed to be amended to such extent as shall be necessary for such provision to be enforceable and it shall be enforced to that extent.

9.13 Expenses. Except as provided otherwise in this Agreement, each party to this Agreement shall pay its own expenses incidental to the planning, negotiation, preparation, execution and performance of this Agreement and the agreements, documents, instruments and Transactions, including, without limitation, the fees and expenses of the parties' respective legal counsel and accountants. If any legal action, arbitration or other proceeding is brought under this Agreement but outside of the indemnification provisions of Article VIII to obtain injunctive relief or to bring a claim of Actual Fraud in accordance with Section 8.2(c), in addition to any other relief to which the successful or prevailing party or parties ("the Prevailing Party") is entitled, the Prevailing Party is entitled to recover, and the non-Prevailing Party shall pay, all (a) reasonable attorneys' fees of the Prevailing Party, (b) court costs and (c) expenses, even if not recoverable by law as court costs (including, without limitation, all fees, taxes, costs and expenses incident to arbitration, appellate, bankruptcy and post-judgment proceedings), incurred in that action, arbitration or proceeding and all appellate proceedings. For purposes of this Section, the term "attorneys' fees" includes, without limitation, paralegal fees, investigative fees, expert witness fees, administrative costs, disbursements, and all other charges billed by the attorney to the Prevailing Party.

9.14 Entire Agreement; Amendment. This Agreement and the certificates and other documents delivered pursuant hereto constitute the entire agreement among the parties hereto pertaining to the subject matters hereof and supersede all negotiations, preliminary agreements and all prior or contemporaneous discussions and understandings of the parties hereto in connection with the subject matters hereof and thereof. All exhibits and schedules are incorporated into this Agreement as if set forth in their entirety and constitute a part hereof. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by the party to be charged with the amendment.

9.15 Enforcement Of Agreement. Each party to this Agreement acknowledges and agrees that the other parties would be irreparably damaged if any of the provisions of this Agreement are not performed in accordance with their specific terms and that any breach of this Agreement by any party could not be adequately compensated in all cases by monetary damages alone. Accordingly, in addition to any other right or remedy to which a party may be entitled, at law or in equity, it shall be entitled to seek to enforce any provision of this Agreement by a decree of specific performance and to temporary, preliminary and permanent injunctive relief to prevent breaches or threatened breaches of any of the provisions of this Agreement, without posting any bond or other undertaking.

9.16 Schedules. All Schedules are incorporated herein and expressly made a part of this Agreement as though completely set forth herein. All references to this Agreement herein or in any of the Schedules shall be deemed to refer to this entire Agreement, including all Schedules. The inclusion of any matter on any Schedule shall not constitute an admission that such matter is material, is required to be disclosed thereon or would reasonably be expected to have a Material Adverse Effect. The information in the Schedules constitutes (a) exceptions to particular representations, warranties, covenants and obligations set forth in this Agreement or (b) descriptions or lists of assets and liabilities and other items referred to in this Agreement. Notwithstanding any specific reference to a section or part of this Agreement in any of the disclosures set forth in the Schedules, such disclosures shall be deemed to have been disclosed with respect to all other sections of this Agreement to which such disclosure is reasonably apparent. Terms used in the Schedules and

not otherwise defined therein shall have the same meanings as are ascribed to such terms in this Agreement.

9.17 Bulk Sales Compliance. Buyer hereby waives compliance by Seller with the provisions of any applicable Bulk Sales Laws of any state, and Seller warrants and agrees to pay and discharge when due all claims of creditors which could be asserted against Buyer by reason of such non-compliance to the extent that such Liabilities are not specifically assumed by Buyer under this Agreement.

9.18 Counsel. Buyer acknowledges that Armstrong Teasdale LLP has acted as counsel for Seller and that, in the event of any post-Closing disputes between Buyer and Seller, Seller reasonably anticipates that Armstrong Teasdale LLP will represent it in such matters. Accordingly, to the extent required by reason of applicable decisional law, or otherwise, Buyer expressly (a) consents to Armstrong Teasdale LLP's representation of Seller in any post-Closing matter in which the interests of Buyer and Seller is adverse, whether or not such matter is one in which Armstrong Teasdale LLP may have previously advised Seller, (b) consents to the disclosure by Armstrong Teasdale LLP to Seller of any information learned by Armstrong Teasdale LLP in the course of its representation of Seller, whether or not such information is subject to the attorney-client privilege and/or Armstrong Teasdale LLP's duty of confidentiality and whether or not such disclosure is made before or after the Closing, and (c) irrevocably waives any right it may have to discover or obtain information or documentation protected by the attorney client-privilege relating to the representation of Seller by Armstrong Teasdale LLP in the Transactions. Seller may retain copies of its files. Buyer further covenants that it shall not assert any claim against Armstrong Teasdale LLP in respect of legal services provided to Seller by that firm, whether or not such services relate to the Business or the Acquired Assets. If and to the extent that, at any time subsequent to the Closing, Buyer shall have the right to assert or waive attorney-client privilege with respect to any communication between Seller and any Person representing it that occurred at any time prior to the Closing, Buyer shall not waive such privilege without the prior written consent of Seller.

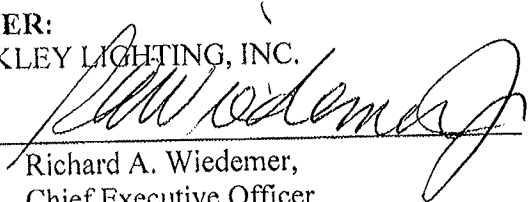
9.19 Delivery. To the extent that Seller represents or warrants that it has "delivered" a document or item to the Buyer, making such document or item available for Buyer on Seller's electronic data site or delivering such document or item to Buyer's due diligence team shall be deemed to constitute delivery.

*Remainder of page intentionally left blank. Signature page to follow.*

IN WITNESS WHEREOF, this Agreement has been duly executed by or on behalf of each of the parties hereto as of the date first above written.

**BUYER:**  
HINKLEY LIGHTING, INC.

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

  
Richard A. Wiedemer,  
Chief Executive Officer

**SELLER:**  
TACONY CORPORATION

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

Kristi Tacony Humes,  
Chief Executive Officer

IN WITNESS WHEREOF, this Agreement has been duly executed by or on behalf of each of the parties hereto as of the date first above written.

**BUYER:**  
HINKLEY LIGHTING, INC.

By: \_\_\_\_\_  
Richard A. Wiedemer,  
Chief Executive Officer

**SELLER:**  
TACONY CORPORATION

By: Kristi Tacony Humes  
Kristi Tacony Humes,  
Chief Executive Officer

## EXHIBIT A

### Definitions

For purposes of this Agreement, the following terms and variations thereof have the meanings specified or referred to below:

Accounts Receivable. To the extent exclusively attributable to the Business, (a) all trade accounts receivable and other rights to payment from customers of Seller and the full benefit of all security for such accounts or rights to payment, including all trade accounts receivable representing amounts receivable in respect of goods shipped or products sold or services rendered to customers of Seller, (b) all other accounts or notes receivable of Seller and the full benefit of all security for such accounts or notes and (c) any claim, remedy or other right related to any of the foregoing.

Accounts Receivable Value. Seller's current carrying cost for the Transferred Accounts Receivable.

Actual Fraud. Intentional fraud and not reckless, grossly negligent or negligent misrepresentation.

Affiliate. With respect to a Person (whether or not incorporated), (a) any Person that directly or indirectly controls, is directly or indirectly controlled by or is directly or indirectly under common control with such specified Person; (b) any Person that holds a Material Interest in such specified Person; (c) each Person that serves as a director, officer, manager, partner, executor or trustee of such specified Person (or in a similar capacity); (d) any Person in which such specified Person holds a Material Interest; (e) any Person with respect to which such specified Person serves as a general partner or a trustee (or in a similar capacity), and (f) each other member of such Person's Family if such Person is an individual.

For purposes of this definition, (a) "control" (including "controlling," "controlled by," and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and shall be construed as such term is used in the rules promulgated under the Securities Act of 1933, as amended; (b) the "Family" of an individual includes (i) the individual, (ii) the individual's spouse, and (iii) any individual related to such individual by blood or marriage not more remotely than first cousin; and (c) "Material Interest" means direct or indirect beneficial ownership (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of voting securities or other voting interests representing at least ten percent (10%) of the outstanding voting power of a Person or equity securities or other equity interests representing at least ten percent (10%) of the outstanding equity securities or equity interests in a Person.

Agreement. This Asset Purchase Agreement, including the Schedules and the Exhibits attached hereto, as the same may be amended from time to time.

Bulk Sales Laws. Any bulk-transfer provisions of the Uniform Commercial Code (or any similar law).

Business Day. Any day which is not a Saturday, a Sunday, or a legal or bank holiday recognized in the State of Missouri.

Code. The United States Internal Revenue Code of 1986, as amended.

Excluded Inventory. Any inventory identified on Schedule 2.1(a) as obsolete or excluded and any inventory identified on Schedule 2.1(a) with a SKU that begins with "PFLK" (the builder fans). For the avoidance of doubt, any inventory identified on Schedule 2.1(a) as discontinued shall not be Excluded Inventory.

General Enforceability Exceptions. Such exceptions to enforceability due to applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditors' rights generally, and general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity). Notwithstanding the foregoing, the parties reserve all rights available to creditors under applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws.

Governmental Entity. Any (a) nation, state, county, city, town, borough, village, district or other jurisdiction; (b) federal, state, local, municipal, foreign or other government; (c) governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental powers); (d) body exercising any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or (e) official of any of the foregoing.

Intellectual Property Rights. All right, title and interest of Seller in and to all registered and unregistered trademarks, service marks, slogans, trade dress, patents, copyrights, marketing collateral, domain names, websites (URL), internet social media sites (such as Facebook), digital imagery, technical know-how and information, drawings, specifications, customer lists, trade names, trade secrets and similar properties (including without limitation all registrations, renewals or applications for registration or renewal of any of the foregoing, in each case whether completed or pending), in the United States and in other countries, now or previously used, acquired or developed by or for Seller for exclusive use in the Business, together with the goodwill associated with the foregoing.

In Transit Inventory Value. With respect to the in transit Inventory, the purchase order cost plus the estimated material burden less any valuation adjustments agreed upon by Buyer and Seller, consistent with the portion of Schedule 2.1(a) relating to the in transit Inventory.

Inventory. All inventories of Seller, wherever located, including raw materials, work-in-process, finished goods, supplies, parts, spare parts and other materials and supplies to be used or consumed by Seller in the production or distribution of finished goods exclusively in the Business, to the extent identified in Schedule 2.1(a), excluding the Excluded Inventory.

Knowledge. Seller will be deemed to have Knowledge of a particular fact or other matter if Kristi Tacony Humes, Brad Overby, Craig Meyer, Russell Bell, Kim Noerteman or Nicki Godare are actually aware or should have been aware of that fact of matter.

Law. Any federal, state, local, municipal, foreign, international, multinational or other constitution, law, ordinance, principle of common law, code, regulation, statute or treaty.



Liability. With respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

Lien. Any lien, option, pledge, security interest, mortgage, right of first option, right of first refusal or similar restriction, excluding all Permitted Liens.

Material Adverse Effect. Any condition or effect, or series of conditions or effects, that is materially adverse to the operations, results of operations or financial condition of the Business taken as a whole but none of the following, either alone or in combination, shall be deemed to constitute, or be taken into account in determining whether there has been, such a material adverse effect: any change, occurrence, event or development (a) resulting from general economic, political, banking, financial or securities market conditions, including interest or exchange rates, (b) affecting companies in the industry in which Seller conducts the Business, (c) resulting from the announcement or performance of this Agreement or the Transactions (except in violation of this Agreement), (d) 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, (e) changes in United States generally accepted accounting principles, (f) changes in Law, Orders, or other binding directives issued by any Governmental Entity, or (g) resulting from any action taken (i) by Seller at Buyer's request or pursuant to this Agreement and/or the Ancillary Agreements, or (ii) by Buyer or its Affiliates with respect to the Business or the Transactions.

Order. Any order, injunction, judgment, decree, ruling, assessment or arbitration award of any Governmental Entity or arbitrator.

Ordinary Course of Business. An action taken by a Person will be deemed to have been taken in the Ordinary Course of Business only if that action is taken in the ordinary course of the normal, day-to-day operations of such Person.

Permitted Liens. Any (a) Liens for Taxes not yet payable or the validity of which are being contested in good faith by appropriate proceedings, (b) Liens arising in connection with worker's compensation, unemployment insurance, old age pensions and social security benefits which are not overdue or are being contested in good faith by appropriate proceedings, (c) Liens arising by operation of law on insurance policies and proceeds thereof to secure premiums thereunder, (d) Liens specifically assumed by the Buyer in writing, (e) Liens arising under or related to indebtedness that will be paid or discharged at Closing, (f) rights to mechanics', workmen's, repairmen's, warehousemen's, carriers' or other like Liens arising or incurred in the Ordinary Course of Business or by operation of Law if the underlying obligations are not delinquent, (g) statutory or common law Liens to secure landlords or lessors under leases or rental agreements regarding the premises or assets rented to the extent that no payment or performance under any such lease or rental agreement is delinquent; and (h) Liens created by Buyer or its Affiliates.

Person. An individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture or other entity or a Governmental Entity.

Proceeding. Any arbitration, audit, hearing, investigation, litigation or lawsuit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Entity or arbitrator.

Schedules. The disclosure schedules delivered by the parties at Closing and the documents attached to or incorporated by reference in such disclosure schedule and the other schedules described in this Agreement.

Tax or Taxes. Any and all foreign, U.S. federal, state and local taxes, assessments, deficiencies, fees and other governmental charges or impositions (including interest, penalties or additions to such items), including, but not limited to, income, payroll, employment, unemployment, alternative or add-on minimum, severance, production, license, lease, service, occupation, inventory, windfall profits, profits, withholding, social security, workers' compensation, premium, excise, sales, use, gross receipts, gross income, environmental (including taxes under Section 59A of the Code), transfer, share or stock transfer and any required withholdings, registration, value added, franchise, estimated, ad valorem, severance, capital stock, customs duties, capital taxes, real property, personal property, stamp, unclaimed property and other taxes, fees, assessments, levies, tariffs, charges and duties of any kind whatsoever and any interest, penalty, addition or additional amount thereon imposed, assessed or collected by or under the authority of any Governmental Entity or payable under any tax-sharing agreement or any other contract.

Tax Return. Any return (including any information return), report, statement, schedule, notice, form, declaration, claim for refund or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Entity in connection with Taxes, including any schedule or attachment thereto, and including any amendment thereof.

Third Party Claim. Any claim against an Indemnified Person by a third party, whether or not involving a Proceeding.

Threatened. In regard to any claim, Proceeding, dispute, action, or other matter, where any demand or statement has been made or any notice has been given, in each case, of which the Person giving the representation, warranty or covenant has Knowledge.

Transactions. All of the transactions contemplated by this Agreement and the Ancillary Agreements.

**SCHEDULE 5.4(a) – SELLER IP**

Mark	Country	Registration No.
Regency	US	5,048,195

**SCHEDULE 5.4(b) – RIGHT TO USE; ENFORCEABILITY**

None.

**SCHEDULE 5.4(c) – NO INFRINGEMENT**

None.

## TRADEMARK ASSIGNMENT

This Trademark Assignment (the “**Assignment**”), dated effective as of March 1, 2019, is by and between Tacony Corporation, a Missouri corporation, with an address at 1760 Gilsinn Lane, Fenton, Missouri 63026 (the “**Assignor**”), and Hinkley Lighting, Inc., an Ohio corporation, with an address at 33000 Pin Oak Parkway, Avon Lake, Ohio 44012 (“**Assignee**”).

### RECITALS

**WHEREAS**, Assignor operates an ongoing and existing business and owns, has adopted, and has used the trademark, U.S. Reg. No. 5,048,195 for the mark REGENCY for use in connection with *ceiling fans* in Class 11 (the “**Trademark**”);

**WHEREAS**, Assignor and Assignee are parties to that certain Asset Purchase Agreement dated effective as of the date hereof (the “**Purchase Agreement**”) by and between Assignor and Assignee;

**WHEREAS**, Assignor has agreed to sell, assign, transfer and convey to Assignee and Assignee has agreed to purchase, acquire and accept from Assignor certain Acquired Assets (as defined in the Purchase Agreement), which include the Trademark; and

**WHEREAS**, Assignor and Assignee wish to enter into this Assignment for the sole purpose of confirming and memorializing the terms of the Purchase Agreement, which are not confidential, proprietary and/or trade secrets of either party, and making said terms of record in the office of any state trademark authority, the United States Patent & Trademark Office and the office of any applicable foreign trademark authority.

**NOW THEREFORE**, in consideration of the recitals, terms and conditions herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

**BE IT KNOWN** that for the good and valuable consideration paid to Assignor by Assignee pursuant to the Purchase Agreement, the receipt and sufficiency of which is hereby acknowledged, Assignor confirms that it sold, assigned, transferred and conveyed to Assignee and, to the extent required to confirm such transfer, hereby sells, assigns, transfers and conveys unto Assignee, its successors, legal representatives or assigns, all of its right, title and interest in, to and under the Trademark and all applications and registrations therefor, together with any and all of the goodwill of the business symbolized by and associated with said Trademark, and all past, present and future income, royalties, fees, damages, and payments now or hereafter due or payable in respect thereto, and in and to any and all past, present and future causes of action (either in law or in equity), and the right to enforce any rights and file any causes of action, including the right to recover damages, for any past, present, or future infringement or misappropriation of the Trademark.

Assignor covenants that Assignor will do, execute and deliver, or will cause to be done, executed and delivered, at Assignee’s expense, all such further reasonable acts, transfers, assignments and conveyances, powers of attorney and assurances, for the better assuring, conveying

and confirming unto Assignee, the entire right, title and interest in the Trademark hereby sold, transferred, assigned, and conveyed as Assignee may reasonably require.

This Assignment may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute the same agreement.

*Remainder of page intentionally left blank. Signature page to follow.*

WHEREFORE, Assignor and Assignee have caused this Assignment to be duly executed below, on the date indicated above, by each party's duly authorized officer.

**ASSIGNOR:**

TACONY CORPORATION

**ASSIGNEE:**

HINKLEY LIGHTING, INC.

By: *Kristi Tacony Humes*  
Name: Kristi Tacony Humes  
Title: Chief Executive Officer

By: \_\_\_\_\_  
Name: Richard A. Wiedemer  
Title: Chief Executive Officer



**WHEREFORE**, Assignor and Assignee have caused this Assignment to be duly executed below, on the date indicated above, by each party's duly authorized officer.

**ASSIGNOR:**

TACONY CORPORATION

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

Name: Kristi Tacony Humes

Title: Chief Executive Officer

**ASSIGNEE:**

HINKLEY LIGHTING, INC.

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

Name: Richard A. Wiedemer

Title: Chief Executive Officer