ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of May 31, 2019 is entered into by and among LC Acquisition, Inc., a North Carolina corporation (the "Purchaser"), and Leesona Corp, a North Carolina corporation ("Leesona" or the "Company"), Robert C. Clark and spouse, Deborah R. Clark (each referred to herein, individually, as a "Securityholder" and, collectively, as the "Shareholders," and together with the Company, the "Sellers"). The Purchaser and the Sellers are sometimes referred to herein collectively as the "Parties" and individually as a "Party."

WHEREAS, the Company is engaged in the design and manufacture of various categories of equipment that can effectively handle any synthetic fiber; including Winders, Re-Winders, Take-Ups and Winders for flanged spools and parallel winding; provision of parts and repairs thereto and technical support (the "Business"); and

WHEREAS, Sellers wish to sell to the Purchaser, and the Purchaser wishes to purchase from the Company, substantially all of the assets relating to the Business, all upon the terms and subject to the conditions set forth herein, free and clear of all Liens other than Permitted Liens;

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants hereinafter set forth, and intending to be legally bound, the Sellers and the Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS; CONSTRUCTION

1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings set forth below.

"Accounts Receivable" has the meaning set forth in Section 2.1(b).

"Accounts Receivable Price" has the meaning set forth in Section 2.5(a)(iii).

"Action" has the meaning set forth in Section 4.15.

"Affected Employees" means all of the Business Employees that will be hired by Purchaser after the Closing Date.

"Affiliate" means, with respect to any specified Person, any other Person directly or indirectly controlling, controlled by or under common control with such specified Person and, with respect to an individual, any immediate family member of such individual, and, with respect to the Purchaser, includes any Person with which the Purchaser (or any Affiliate of the Purchaser) has a management services (or similar) agreement.

"Agreement" has the meaning set forth in the preamble hereto.

"Ancillary Agreements" means the Employment Agreements, Leesona Bill of Sale and Assignment and Assumption Agreement, the Leased Real Property Assignment and Assumption Agreements and the other agreements, instruments and documents delivered at the Closing.

"Assigned Contracts" has the meaning set forth in Section 2.1(e).

"Assumed Liabilities" has the meaning set forth in Section 2.3.

"Basket" has the meaning set forth in Section 7.3(f).

"Benefit Plans" means any bonus, deferred compensation, incentive compensation, stock purchase, stock option, severance or termination pay, hospitalization or other medical, life or other insurance, supplemental unemployment benefits, profit-sharing, 401(k), pension, or retirement plan, program, agreement or arrangement, and each other employee benefit plan, program, agreement or arrangement, sponsored, maintained or contributed to or required to be contributed to by the Company or by any trade or business, whether or not incorporated, that together with the Company would be deemed a "single employer" within the meaning or contemplation of Section 4001(b)(1) of ERISA, or Section 414(b), (c), (m), (o) or (t) of the Code, for the benefit of any employee or former employee of the Company, whether formal or informal and whether legally binding or not, or in connection with which the Company has any Liability or other obligation.

"Books and Records" means books and records of account (including electronic records), general, financial, warranty and shipping records, invoices, supplier lists, customer lists, correspondence, engineering, maintenance, operating and production records, advertising and promotional materials and credit records of customers.

"Business" has the meaning set forth in the recitals hereto.

"Business Day" means a day other than a Saturday, Sunday, and banking holidays recognized by the Federal Reserve Bank located in New York, New York.

"Business Employee" means any individual employed by the Company as of the day before the Closing Date.

"Business Permits" has the meaning set forth in Section 4.10.

"Cap" has the meaning set forth in Section 7.3(g).

"Cash" means the sum of the Company's cash and cash equivalents, plus all deposited but uncleared bank deposits, in each case as of the Effective Time.

"CERCLA" has the meaning set forth in Section 4.18(d).

"Claim" has the meaning set forth in Section 7.3(i).

"Claim Notice" has the meaning set forth in Section 7.4(a).

"Closing" has the meaning set forth in Section 3.1.

"Closing Date" has the meaning set forth in Section 3.1.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collection Period" has the meaning set forth in Section 2.7(a).

"Company" has the meaning set forth in the preamble hereto.

"Company Contract" means any Contract (a) under which the Company has or may acquire any rights or benefits; (b) under which the Company has or may become subject to any obligation or liability; or (c) by which the Company, or any of the assets owned or used by the Company, is or may become bound.

"Company Disclosure Schedule" has the meaning set forth in the preamble to Article IV.

"Confidential Information" has the meaning set forth in Section 6.1(a).

"Contract" means any agreement, contract, lease, consensual obligation, promise or undertaking (whether written or oral and whether express or implied, together with all amendments and other modifications thereto).

"Contractor" has the meaning set forth in Section 4.17(a).

"Customer Deposits" has the meaning set forth in Section 2.3(a).

"Effective Time" has the meaning set forth in Section 3.1.

"Employment Agreements" has the meaning set forth in Section 3.2(h).

"Enforceability Exceptions" has the meaning set forth in Section 4.2.

"Environmental Condition" means the Release of any Hazardous Material on, in, under, or upon any land (or any structures thereupon), the atmosphere, surface water, sediments or groundwater, and includes, but is not limited to, any such Release on any of the Leased Real Property or the location where any contamination from the Leased Real Property has been placed or has moved.

"Environmental Laws" means any applicable Law, including the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq., the Clean Air Act, 42 U.S.C. § 7401, et seq., the Toxic Substance Control Act, 15 U.S.C. § 2601, et seq., the Federal Insecticide Fungicide and Rodenticide Act, 7 U.S.C. § 136, et seq., and the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq., any Orders issued by, and other requirements of any Governmental Entity with the force of law, or any rule of common law, effective on or before the Closing Date that relate to pollution, the protection of the public health or the environment, the use, handling, manufacture, generation, storage, treatment, transport, disposal or release of Hazardous Materials, occupational health and safety or storage and transportation of goods.

"Environmental Permits" has the meaning set forth in Section 4.18(a).

"Estimated Inventory Price" has the meaning set forth in Section 2.6(b).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Excluded Assets" has the meaning set forth in Section 2.2.

"Excluded Contracts" has the meaning set forth in Section 2.2(b).

"Excluded Liabilities" has the meaning set forth in Section 2.4.

"Financial Statements" has the meaning set forth in Section 4.6(a).

"Fixed Asset Price" has the meaning set forth in Section 2.5(a)(i).

"Fundamental Representation" has the meaning set forth in Section 7.3(c).

"GAAP" means United States generally accepted accounting principles.

"Governmental Entity" means any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to United States federal, state, local, or municipal government, foreign, international, multinational or other government, including any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority thereof.

"Hazardous Material" means any substance, material or waste: (i) that is regulated, classified, or otherwise characterized under or pursuant to any Environmental Law as "hazardous," "toxic," "pollutant," "contaminant," or "radioactive," including, without limitation, petroleum and its by-products, including asbestos, gasoline or diesel fuel or other petroleum hydrocarbons or polychlorinated biphenyls (PCBs); (ii) the presence of which requires investigation or remediation under any Environmental Laws; or (iii) that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic or mutagenic or otherwise hazardous and is regulated under Environmental Laws.

"In-Bound Licenses" has the meaning set forth in Section 4.13(g).

"Indebtedness" means as to any Person at any time: (a) obligations of such Person for borrowed money; (b) obligations of such Person evidenced by bonds, notes, debentures or other similar instruments; (c) obligations of such Person to pay the deferred purchase price of property or services (including obligations under noncompete, consulting or similar arrangements and earn-out payment obligations), except trade accounts payable of such Person arising in the ordinary course of business that are not past due by more than 60 days or that are being contested in good faith by appropriate proceedings diligently pursued and for which adequate reserves have been established on the financial statements of such Person; (d) indebtedness or other obligations of others guaranteed by such Person; (e) obligations secured by a Lien (other than a Permitted Lien) existing on any property or asset owned by such Person; (f) reimbursement obligations of such Persons relating to letters of credit, bankers' acceptances, surety or other bonds or similar instruments; (g) Liabilities of such Person relating to unfunded, vested benefits under any Benefit Plan; and (h) net payment obligations incurred by such Person pursuant to any credit derivative agreement.

"Indemnitee" means a Purchaser Indemnitee or a Seller Indemnitee.

"Indemnitor" means any Party from which any Indemnitee is seeking indemnification pursuant to the provisions of this Agreement.

"Independent Accounting Firm" has the meaning set forth in Section 2.6 (e).

"Intellectual Property" means all of the following used in the Business anywhere in the world and all legal right, title or interest in the following arising under Law: (a) patents and applications for patents and all related reissues, reexaminations, divisions, renewals, extensions, provisionals, continuations and continuations in part; (b) copyright registrations and applications, copyrightable works and all other corresponding rights; (c) trade dress and trade names, logos, Internet addresses and domain names, trademarks and service marks and related registrations and applications, including any intent to use applications, supplemental registrations and any renewals or extensions, all other indicia of commercial source or origin and all goodwill associated with any of the foregoing; (d) inventions (whether patentable or unpatentable and whether or not reduced to practice), know how, technology, technical data, trade secrets, confidential business information, manufacturing and production processes and techniques, marketing and business data, advertising and promotional materials, and other proprietary information; (e) computer software (including source and object code), firmware, development tools, algorithms, files, records, technical drawings and related documentation, data and manuals; and (f) databases and data collections.

"Inventory" has the meaning set forth in Section 2.1(a).

"Inventory Price" has the meaning set forth in Section 2.6(a)(ii).

"Inventory Valuation Methodology" means that (a) parts are valued at the average delivered cost to Leesona; (b) work-in-process and finished goods are valued at the sum of the parts valued as aforesaid plus direct labor costs; (c) supplies are deemed to be incidental and valued at zero and (d) inventory which is not good and merchantable shall be valued at zero.

"Knowledge" means the actual knowledge of a specified Person or the knowledge that such specified Person would have after making such due inquiry of those officers, directors, key employees and professional advisors (including attorneys, accountants and consultants) of the Person who would reasonably be expected to have actual knowledge of the matters in question. The words "know," "knowing" and "known" shall be construed accordingly. In the case of the Sellers, "knowledge" means the Knowledge of the Shareholders and Jim S. Arrington.

"Latest Balance Sheet" has the meaning set forth in Section 4.6(a).

"Latest Financial Statement Date" has the meaning set forth in Section 4.6(a).

"Law" means any law, statute, ordinance, rule or regulation of any Governmental Entity.

"Leased Real Property" has the meaning set forth in Section 4.12.

"Leased Real Property Assignment and Assumption Agreements" has the meaning set forth in Section 3.2(c).

"Leases of Real Property" has the meaning set forth in Section 4.12.

"Leesona" has the meaning set forth in the preamble hereto.

"Leesona Assets" means all right, title and interest of Leesona in, to and under all of the assets, properties and rights of every kind and description, real, personal and mixed, tangible and intangible, wherever situated, of Leesona, other than the Excluded Assets.

"Leesona Bill of Sale and Assignment and Assumption Agreement" has the meaning set forth in Section 3.2(a).

"Liabilities" means any and all debts, expenses, liabilities and obligations of any kind, character or description, whether accrued or unaccrued, fixed or contingent, liquidated or unliquidated, direct or indirect, known or unknown, disputed or undisputed, due or to become due, vested or unvested, joint or several, secured or unsecured, executory, matured or unmatured, determined or determinable, inchoate or otherwise (whether or not the same is required to be accrued on the financial statements of any Person).

"Licensed Intellectual Property" means any Intellectual Property owned by any Person other than the Company.

"Lien" means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest or other restriction or encumbrance in respect of such property or asset.

"Losses" has the meaning set forth in Section 7.1.

"Material Adverse Effect" means any result, occurrence, fact, change, event or effect that has, or could reasonably be expected to have, a material adverse effect: (i) on the assets, liabilities, capitalization, condition (financial or other), operations, results of operations, or prospects of the Company or the Business, or (ii) on the Sellers' ability to consummate the transactions contemplated hereby.

"Material Customer" means any customer whose annual Contracts with the Company accrue payments to the Company of at least Ten Thousand and No/100 Dollars ($10,000.00) per year, individually or in the aggregate.

"Notice of Objection" has the meaning set forth in Section 2.6(b).

"Order" means any order, award, injunction, judgment, decree, ruling or verdict or other decision issued, promulgated or entered by or with any Governmental Entity of competent jurisdiction.

"Overlooked Contract" has the meaning set forth in Section 6.9(b).

"Owned Intellectual Property" means all Intellectual Property owned by the Company, including the right to sue for and collect damages for infringements, misappropriations, or other violations relating thereto occurring prior to the Effective Time and thereafter.

"Party" and "Parties" have the meanings set forth in the preamble hereto.

"Payoff Amounts" has the meaning set forth in Section 2.5(b).

"Permit" means any permit, authorization, approval, consent, license or franchise of or from any Governmental Entity or pursuant to any Law.

"Permitted Liens" means (a) Liens for Taxes and other governmental charges and assessments which are not yet due and payable, (b) landlords', workers', carriers' and mechanics' or other like Liens incurred in the ordinary course of the Business with respect to amounts that are not past due, and (c) zoning, building and land use Laws, ordinances, orders, decrees, restrictions and conditions imposed by any Governmental Entity that do not interfere with the present or proposed use of the properties they affect.

"Person" means any individual, corporation, limited liability company, partnership, cooperative, association, joint stock company, trust, estate, joint venture, unincorporated entity, Governmental Entity or any other entity of any kind.

"Post-Closing Tax Period" has the meaning set forth in Section 6.4(b).

"Pre-Closing Tax Period" has the meaning set forth in Section 6.4(b).

"Prepaids" has the meaning set forth in Section 2.1(j).

"Prepaids Price" has the meaning set forth in Section 2.5(a)(iv).

"Prohibited Territory" means anywhere in the world.

"Proprietary Business Information" has the meaning set forth in Section 6.1(a).

"Purchase Price" has the meaning set forth in Section 2.5(a).

"Purchaser" has the meaning set forth in the preamble hereto.

"Purchaser Disclosure Schedule" has the meaning set forth in the preamble to Article V.

"Purchaser Indemnitees" means the Purchaser and its officers, directors, members, managers, employees, agents, advisors, representatives, Affiliates, successors and assigns; provided that no Seller shall be deemed to be a Purchaser Indemnitee.

"Purchaser's Inventory Price Determination" has the meaning set forth in Section 2.6(c).

"Reassigned Account Receivable" has the meaning set forth in Section 2.7(c).

"Related Party" has the meaning set forth in Section 4.21.

"Related to the Business" means used, held for use, or acquired or developed for use, in the Business or otherwise relating to, or arising out of, the operation or conduct of the Business.

"Release" means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping into the environment.

"Retained Accounts Receivable" has the meaning set forth in Section 2.2(l)

"Review Period" has the meaning set forth in Section 2.6(d).

"Securityholder" has the meaning set forth in the preamble hereto.

"Seller Indemnitees" means each Seller and their respective officers, directors, employees, agents, advisors, representatives, Affiliates, heirs, successors and assigns; provided that the Purchaser shall not be deemed to be a Seller Indemnitee.

"Sellers" has the meaning set forth in the preamble hereto.

"Sellers' Representative" means Robert C. Clark.

"Shareholders" has the meaning set forth in the preamble hereto.

"Solvent" means, with respect to any Person, that as of the date of determination, both (i) (A) the sum of such Person's debt (including contingent Liabilities) does not exceed the present fair saleable value of such Person's present assets; (B) such Person's capital is not unreasonably small in relation to its business; and (C) such Person has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (ii) such Person is "solvent" within the meaning given that term and similar terms under the U.S. Bankruptcy Code and applicable Laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent Liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured Liability (irrespective of whether such contingent Liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"Special Representations" has the meaning set forth in Section 7.3(d).

"Specified Benefit Plan" has the meaning set forth in Section 6.22.

"Systems" has the meaning set forth in Section 4.13(k).

"Tax Returns" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Taxes" means any and all federal, state, local, or foreign net or gross income, gross receipts, net proceeds, sales, use, ad valorem, value added, franchise, bank shares, withholding, payroll, employment, excise, property, transfer, real property transfer, deed, stamp, recording, documentary, registration, stock, alternative or add-on minimum, environmental, profits, windfall profits, transaction, license, lease, service,

service use, occupation, severance, energy, unemployment, social security, workers' compensation, capital, premium and other taxes, together with interest or penalties.

"Taxing Authority" means the Internal Revenue Service and any other Governmental Entity responsible for the administration of any Tax.

"Third Party Defense" has the meaning set forth in Section 7.4(b).

"Third Party Claim" has the meaning set forth in Section 7.4(a).

"Trade Secret" has the meaning set forth in Section 6.1(a).

"$" means United States dollars.

1.2 Construction. For the purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires: (a) words using the singular or plural number also include the plural or singular number, respectively, and the use of any gender herein shall be deemed to include the other genders; (b) references herein to "Articles," "Sections," "subsections" and other subdivisions, and to Exhibits, Schedules, Annexes and other attachments, without reference to a document are to the specified Articles, Sections, subsections and other subdivisions of, and Exhibits, Schedules, Annexes and other attachments to, this Agreement; (c) a reference to a subsection or other subdivision without further reference to a Section is a reference to such subsection or subdivision as contained in the same Section in which the reference appears; (d) the words "herein," "hereof," "hereunder," "hereby" and other words of similar import refer to this Agreement as a whole and not to any particular provision; (e) the words "include," "includes" and "including" are deemed to be followed by the phrase "without limitation"; (f) the word "or" means "and/or"; and (g) all accounting terms used and not expressly defined herein have the respective meanings given to them under GAAP.

ARTICLE II

CONVEYANCE AND CONTRIBUTION

2.1 Conveyance of the Leesona Assets. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Company shall sell, assign, transfer, convey and deliver to the Purchaser, and the Purchaser shall purchase, acquire and accept from the Company, free and clear of all Liens other than Permitted Liens, the Leesona Assets, including:

(a) all raw materials, work-in-process, finished goods, supplies, spare parts and other inventories (the "Inventory") which includes all such items (i) located on the Leased Real Property (ii) purchased and on order from suppliers of the Business and (iii) in transit from suppliers of the Business;

(b) all trade and other accounts receivable (including, amounts owed by customers, insurance companies, Governmental Entities, and other Persons, but excluding those from Related Parties and other Affiliates of the Sellers) and any Indebtedness owing to Leesona (other than Indebtedness owed by Related Parties or other Affiliates of the Sellers) set forth on Schedule 2.1(b) of the Company Disclosure Schedule, including the benefit of all collateral, security, guaranties and similar undertakings received or held in connection therewith and any claim, remedy or other right related to the foregoing (the "Accounts Receivable");

(c) all machinery, fixtures, furniture, supplies, accessories, materials, equipment, parts, molds, office equipment, vehicles, computers, telephones and other items of tangible personal property other than Inventory, including the equipment and any other assets listed on Schedule 2.1(c) of the Company Disclosure Schedule;

(d) all Owned Intellectual Property (including, in each case, any goodwill associated therewith), including the names "Leesona Corp," "Leesona", "FTS Leesona", all related logos, www.leesona.com and any other domain names owned by the Company, and email addresses of the Company and Company employees;

(e) all of the Company Contracts set forth on Schedule 2.1(e) of the Company Disclosure Schedule and all open sales orders of the Company as of the Closing Date (collectively, the "Assigned Contracts");

(f) all rights and benefits under the Company's workers compensation, automobile, general liability property and umbrella insurance policies, including rights, refunds and proceeds, arising from or related to the Leesona Assets or the Assumed Liabilities;

(g) all Business Permits to the extent transferable;

(h) to the extent permitted by applicable Law, all Books and Records of the Company that are not Excluded Assets;

(i) all claims, causes of action, choses in action, rights of recovery and rights under all warranties, representations and guarantees made by suppliers of products, materials or equipment, or components thereof;

(j) all rights to refunds from customers and suppliers and all prepaid expenses and prepaid deposits, including prepaid expenses and prepaid deposits with respect to workers compensation, automobile, general, property and umbrella insurance, and Assigned Contracts (collectively, the "Prepaids");

(k) all sales, advertising, promotional and marketing information and materials;

(l) all rights of the Company to causes of action, lawsuits, judgments, claims and demands of any nature and all counterclaims, rights of setoff, rights of indemnification and affirmative defenses to any claims that may be brought against the Purchaser by third parties, in each case to the extent that they relate to the Business, the Leesona Assets or Assumed Liabilities;

(m) all other properties and assets of the Company, to the extent that the Company has any right thereto or interests therein, whether a present or future interest, whether an inchoate right or otherwise, and whether such properties or assets are tangible or intangible and whether or not of a type falling within any of the categories of assets or properties described above; and

(n) all goodwill.

2.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Leesona Assets do not include, and Leesona is not selling, assigning, transferring, conveying or delivering, and the Purchaser is not purchasing, acquiring or accepting from Leesona, any of the following assets, properties or rights of the Company (collectively, the "Excluded Assets"):

(a) all Cash, including any cash received by Leesona as part of the Purchase Price;

(b) all Company Contracts listed on Schedule 4.14(a) of the Company Disclosure Schedule other than the Assigned Contracts listed on Schedule 2.1(e) of the Company Disclosure Schedule (the "Excluded Contracts");

(c) all corporate seals, minute books, stock books, Tax records and Tax Returns, and other Books and Records having to do with the corporate organization or Taxes of the Company;

(d) all insurance policies and all rights, proceeds, refunds and benefits thereunder, except to the extent set forth in Section 2.1(f);

(e) all of the assets listed on Schedule 2.2(e) of the Company Disclosure Schedule;

(f) all outstanding securities in the Company;

(g) all rights which accrue or will accrue to any Seller under this Agreement and the Ancillary Agreements.

(i) all non-transferable business licenses and Permits;

(j) all bank accounts, investment accounts and investment securities of the Company;

(k) all assets relating to or owned by and all rights in and to, any Benefit Plans (whether held in trust or otherwise) that are not Specified Benefit Plans, including any trust, insurance arrangements, or other assets held pursuant to, or set aside to fund, the obligations of the Company under any Benefit Plans that are not Specified Benefit Plans;

(l) all accounts and notes receivable of the Company set forth on Schedule 2.2(l) of the Company Disclosure Schedule (the "Retained Accounts Receivable"); and

(m) all Tax related refunds and claims for Tax refunds relating to any period prior to the Effective Time.

2.3 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, at the Closing the Purchaser shall assume, and from and after the Closing the Purchaser shall pay, discharge or perform when due, the following, and only the following specified Liabilities of Leesona (collectively, the "Assumed Liabilities"):

(a) the deposits (the "Customer Deposits") made by customers of Leesona with respect to Contracts (i) assigned to, and accepted by the Purchaser, which are set forth on Schedule 2.3(a) of the Company Disclosure Schedule; (ii) which are consented to by the customer, with such consent to be in such form as Purchaser shall determine and (iii) the amount of which is treated as a payment towards the Purchase Price and subtracted from the cash portion thereof which is payable at the Closing pursuant to Section 2.5 hereof;

(b) Liabilities of the Company in respect of the Assigned Contracts to the extent arising from the conduct of the Business by Purchaser after the Effective Time (and, for the avoidance of doubt, excluding any and all Liabilities resulting from or related to a breach of the Assigned Contracts prior to the Effective Time or any other acts or omissions occurring, or products or services provided, prior to the Effective Time or any other acts or omissions by the Company);

(c) all of the trade payables of the Company listed on Schedule 2.3(c) of the Company Disclosure Schedule; and

(d) 7/12ths of any and all Liabilities related to the Affected Employees for any accrued but unpaid paid time off during 2019 as of the Closing Date;

provided, that the Assumed Liabilities shall not include any Excluded Liabilities.

2.4 Excluded Liabilities. Notwithstanding anything in this Agreement to the contrary, except for the Assumed Liabilities the Purchaser shall not assume any Liabilities of the Sellers, all of which the Sellers shall pay, discharge or perform when due (the "Excluded Liabilities"). Notwithstanding anything in this Agreement to the contrary, the Purchaser shall not assume or be liable for any of the following Liabilities of the Sellers (all of which shall also constitute Excluded Liabilities, but which are not the only Excluded Liabilities):

(a) all Liabilities of the Sellers under this Agreement and the Ancillary Agreements, except as and to the extent set forth in this Agreement;

(b) all Indebtedness;

(c) all product or service Liability, warranty and similar claims for damages or injury to person or property which arise out of or are based upon any events occurring or actions taken or omitted to be taken, or products or services provided, by the Company, or otherwise arising out of or incurred in connection with the conduct of the Business before the Effective Time;

(d) all Liabilities (i) for salary, hourly wages, bonuses or payroll taxes (including salaries and payroll taxes) or (ii) under or in connection with any and all Benefit Plans, except as and to the extent set forth in this Agreement;

(e) all attorneys', accountants', financial advisory, consulting, business broker's, finder's, or other professional fees or expenses of the Company incurred in connection with the Business, this Agreement, any transactions hereunder, the dissolution and liquidation of the Company, or otherwise;

(f) all Liabilities to indemnify any person by reason of the fact that such person was a director, officer, shareholder, employee or agent of the Company;

(g) all Liabilities of the Company under or with respect to any Environmental Law or Environmental Condition;

(h) all Liabilities in respect of the Excluded Contracts and other Excluded Assets;

(i) all Liabilities related to outstanding Company checks (or related to any wire or automated clearing house (ACH) transfers initiated by the Company);

(j) any Liabilities resulting from any past, current or future lawsuit or other proceeding relating to the Business arising out of transactions, events, actions or omissions occurring prior to the Effective Time (and any other Liabilities resulting from or related to a breach of the Assigned Contracts prior to the Effective Time or any other acts or omissions (including any breach of contract, breach of warranty, tort, infringement or violation of Law) occurring, or products or services provided, by the Company prior to the Effective Time);

(k) all Liabilities for Taxes, including Taxes (i) relating to the Business or the Leesona Assets for any Tax Period or portion thereof ending before the Closing Date, or (ii) attributable to any gain and income of the Company or the Shareholders from the sale of the Leesona Assets contemplated hereunder; and

(l) other than in respect of the Assumed Liabilities, all Liabilities resulting from or arising out of the conduct of the Business prior to the Closing;

(m) 5/12ths of any and all Liabilities related to the Affected Employees for any accrued but unpaid paid time off during 2019 as of the Closing Date; and

(n) any other Liability of the Company other than the Assumed Liabilities.

2.5 Consideration.

(a) The consideration to be delivered by the Purchaser for the Leesona Assets shall be equal to the sum of: (i) the Fixed Asset Price plus (ii) the Inventory Price plus (iii) the Accounts Receivable Price plus (iv) the Prepaids Amount minus (v) the Customer Deposits (vi) minus the trade payables listed on Schedule 2.3(c) of the Company Disclosure Schedule (the resulting sum, is the "Purchase Price"). The items comprising the Purchase Price are as follows:

(i) The "Fixed Asset Price" shall be $277,544.23, representing the sum of (i) the depreciated book value of all fixed assets reflected on the Books and Records of Leesona as of May 31, 2019, as verified and agreed to by Purchaser, plus (ii) the sum of Two Hundred Fifty Thousand Dollars ($250,000).

(ii) The Inventory Price shall be $1,800,055.75, as determined and subject to adjustment after Closing in accordance with Section 2.6.

(iii) The "Accounts Receivable Price" shall be $479,479.74, representing the good and collectible trade accounts receivable reflected on the Books and Records of Leesona as of May 31, 2019, as verified and agreed to by Purchaser.

(iv) The "Prepaids Amount" shall be $22,005.55, representing the total amount of Prepaids reflected on the Books and Records of Leesona as of May 31, 2019, as verified and agreed to by Purchaser.

(v) The Customer Deposits shall be $131,527.77, as determined in accordance with Section 2.3(a).

(b) At the Closing, the Purchase Price shall be paid as follows:

(i) any amounts necessary to terminate and fully discharge any Liens on the Leesona Assets related to the Indebtedness of the Company (collectively, the "Payoff Amounts"), which Indebtedness is set forth on Schedule 4.24 of the Company Disclosure Schedule, will be paid directly to the applicable creditors by wire transfer of immediately available funds; and

(ii) the balance of the Purchase Price (after reduction for the amounts to be paid pursuant to (i), and after reduction for any amounts owed by the Company to the Purchaser as of the Closing pursuant to Section 6.4) shall be paid to the Company by wire transfer of immediately available funds to an account designated by the Company.

2.6 Inventory Price and Adjustment.

(a) The Inventory Price shall be equal to the value of the Inventory as of as of May 31, 2019 determined in accordance with the Inventory Valuation Methodology.

(b) At or prior to the Closing, the Sellers shall have delivered to Purchaser a detailed listing of the Inventory together with the Sellers' estimated Inventory Price; said amount being set forth in Section 2.5(a)(ii) above (the "Estimated Inventory Price").

(c) Within 90 days after the Closing Date, the Purchaser will prepare, or cause to be prepared, and deliver to the Sellers' Representative an unaudited detailed statement (the "Purchaser's Inventory Price Determination") setting forth the Purchaser's calculation of the Inventory Price as of May

31, 2019.

(d) Upon receipt from the Purchaser, the Sellers' Representative shall have 30 days to review the Purchaser's Inventory Price Determination (the "Review Period"). The Purchaser will cooperate with the Sellers' Representative in connection with his review of the Purchaser's Inventory Price Determination, including providing the Sellers' Representative and Sellers' accountants, reasonably prompt access during normal business hours to materials (including accountants' work papers) used in preparation of the Purchaser's Inventory Price Determination. If the Sellers' Representative disagrees with the Purchaser's computation of the Inventory Price, the Sellers' Representative may, on or prior to the last day of the Review Period, deliver a notice to the Purchaser (the "Notice of Objection"), which sets forth his objections to the Purchaser's calculation of the Inventory Price. Any Notice of Objection shall specify those items or amounts with which the Sellers' Representative disagrees, together with an explanation of the reasons for disagreement with each such item or amount, and shall set forth the Sellers' Representative's calculation of the Inventory Price based on such objections. To the extent not set forth in the Notice of Objection, the Sellers' Representative shall be deemed to have agreed with the Purchaser's calculation of the Inventory Price.

(e) Unless the Sellers' Representative delivers the Notice of Objection to the Purchaser within the Review Period, the Sellers' Representative and the Sellers shall be deemed to have accepted the Purchaser's calculation of Inventory Price which shall be final, conclusive and binding on the Parties. If the Sellers' Representative delivers the Notice of Objection to the Purchaser within the Review Period, the Sellers' Representative and the Purchaser shall, during the 30 days following such delivery or any mutually agreed extension thereof, use their commercially reasonable efforts to reach agreement on the disputed items and amounts in order to determine the Inventory Price. If, at the end of such period or any mutually agreed extension thereof, the Purchaser and the Sellers' Representative are unable to resolve their disagreements, they shall jointly retain and refer their disagreements to Dixon, Hughes, Goodman LLP (the "Independent Accounting Firm"). The Parties shall instruct the Independent Accounting Firm to promptly review this Section 2.6 and to determine, solely with respect to the disputed items and amounts so submitted, whether and to what extent, if any, the Inventory Price set forth in the Estimated Inventory Price requires adjustment in order to comply with this Section 2.6. The Independent Accounting Firm shall base its determination solely on written submissions by the Purchaser and the Sellers' Representative and not on an independent review. The Purchaser and the Sellers' Representative shall make available to the Independent Accounting Firm all relevant books and records and other items reasonably requested by the Independent Accounting Firm. The Parties shall request that the Independent Accounting Firm deliver to the Purchaser and the Sellers' Representative, as promptly as practicable but in no event later than 45 days after its retention, a written report which sets forth its resolution of the disputed items and amounts and its calculation of Inventory Price; provided, however, that in no event shall the Inventory Price as determined by the Independent Accounting Firm be less than the Purchaser's calculation of the Inventory Price set forth in the Purchaser's Inventory Price Determination nor more than the Sellers' Representative's calculation of Inventory Price set forth in the Notice of Objection. The decision of the Independent Accounting Firm shall be final, conclusive and binding on the Parties. The costs and expenses of the Independent Accounting Firm shall be allocated between the Purchaser on the one hand and Leesona and the Shareholders on the other hand, based upon the percentage which the portion of the total contested amount not awarded to each Party bears to the total amount actually contested. Each Party agrees to execute, if requested by the Independent Accounting Firm, a customary engagement letter, including customary indemnities in favor of the Independent Accounting Firm.

(f) In the event that the final Inventory Price determined in accordance with this Section 2.6 is greater than the Estimated Inventory Price, Purchaser shall pay to the Company via wire transfer of immediately available funds an amount equal to such excess within ten (10) Business Days after the final determination of the Inventory Price as set forth above.

(g) In the event that the final Inventory Price determined in accordance with this

Section 2.6 is less than the Estimated Inventory Price, Sellers shall pay to Purchaser via wire transfer of immediately available funds an amount equal to such deficiency within ten (10) Business Days after the final determination of the Inventory Price as set forth above.

2.7 Accounts Receivable.

(a) During the one hundred twenty (120) day period following the Closing Date (the "Collection Period"), the Purchaser (i) shall diligently pursue collection of all of the Accounts Receivable, consistent with the collection practices and procedures of the Company prior to the Closing, and (ii) shall provide the Sellers' Representative with weekly reports detailing the amount of the Purchaser's collections on the Accounts Receivable. All payments received by the Purchaser after the Closing by account debtors shall applied to the invoice so designated by the account debtor.

(b) In the event the amount received by the Purchaser as collections on the Accounts Receivable during the Collection Period shall (i) be in excess of the Accounts Receivable Price, then on or before the one hundredth fortieth (140^{th}) day following the Closing Date, the Purchaser shall pay to the Company the amount of such excess via wire transfer of immediately available funds; or (ii) be less than the Accounts Receivable Price, then on or before the one hundred fortieth (140^{th}) day following the Closing Date, Sellers shall pay to Purchaser the amount of such deficiency via wire transfer of immediately available funds.

(c) Any Accounts Receivable which are not collected by Purchaser during the Collection Period shall be promptly reassigned to the Company (the "Reassigned Accounts Receivable"), without recourse, and the Sellers shall thereafter have the right to pursue collection of all Reassigned Accounts Receivable. Following assignment of Reassigned Accounts Receivable to the Company, the Purchaser agrees to use its reasonable efforts in the ordinary course of business to assist the Sellers with the collection of the Reassigned Accounts Receivables for the account of the Company. The Purchaser's collection efforts on behalf of Sellers shall not include the employment of any independent collection agency or attorney for the collection of the Reassigned Accounts Receivables. The Sellers' Representative and the Purchaser shall confer with each other regularly in regard to the status of the collection of the Reassigned Accounts Receivables.

(d) From and after the Closing, if any of the Sellers receive or collect any funds relating to any Accounts Receivable, the Sellers shall remit such funds to the Purchaser within five (5) Business Days after their receipt thereof. From and after the date the Reassigned Accounts Receivable are assigned back to the Company, if the Purchaser or any of its Affiliates receives or collects any funds relating to any Reassigned Accounts Receivable, the Purchaser shall remit any such funds to the Company within five (5) Business Days after their receipt thereof.

2.8 Allocation of Purchase Price. The Parties shall allocate the consideration for the Leesona Assets to the various categories of Leesona Assets in accordance with the tax allocation set forth on Schedule 2.8 of the Company Disclosure Schedule. The Parties (a) shall execute and file all Tax Returns in a manner consistent with the allocation substantially in the form as set forth on Schedule 2.8 of the Company Disclosure Schedule, and (b) shall not take any position before any Governmental Entity or in any judicial proceeding that is inconsistent with such allocation. The Company and the Purchaser shall each timely file a Form 8594 with the IRS in accordance with the requirements of Section 1060 of the Code.

ARTICLE III

CLOSING

3.1 Closing Date. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place on the date hereof and shall be held at such place as the Parties may agree or the

Closing may be accomplished by .PDF transmission to the respective offices of the legal counsel for the Parties of the requisite documents, duly executed where required, with originals to be delivered promptly following the Closing. The date on which the Closing occurs is referred to herein as the "Closing Date," and the Closing will be deemed effective as of 12:01 a.m. Eastern Time on June 1, 2019 (the "Effective Time"), provided the Parties hereunder have executed the required documents and exchanged the consideration required hereunder.

3.2 Deliveries by Sellers at the Closing. At Closing, Sellers shall deliver or cause to be delivered to the Purchaser the following:

(a) a Bill of Sale and Assignment and Assumption Agreement in the form of Exhibit A (the "Leesona Bill of Sale and Assignment and Assumption Agreement"), duly executed by the Company;

(b) either (i) a new lease (a "New Lease") or (ii) a Leased Real Property Assignment and Assumption Agreement (a "Leased Real Property Assignment and Assumption Agreement"), for each of the Leases of Real Property, in form and substance reasonably satisfactory to Purchaser, duly executed by the Company and/or the landlord of such Leased Real Property, as applicable;

(c) a certificate of the President of the Company, in a form reasonably acceptable to the Purchaser, certifying the organizational documents (articles of incorporation and bylaws) of the Company and the resolutions necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements by the Company;

(d) a certificate of existence of the Company from the Secretary of State of North Carolina dated within twenty (20) days prior to the Closing Date;

(e) evidence reasonably satisfactory to the Purchaser that all consents or approvals identified in Schedule 4.3 of the Company Disclosure Schedule have been obtained and remain in full force and effect as of the Closing Date;

(f) evidence reasonably satisfactory to the Purchaser that all Liens (other than Permitted Liens) on any of the Leesona Assets shall have been, or will be as soon as practicable following the Closing, released, discharged and terminated in full;

(g) Employment Agreements in the forms of Exhibits B and C, duly executed by Robert C. Clark and Jim S. Arrington, respectively (together, the "Employment Agreements"); and

(h) such other certificates, instruments, documents and consents as shall be necessary in connection with the transactions contemplated under this Agreement or any Ancillary Agreement or as may be requested by the Purchaser in form and substance reasonably satisfactory to the Purchaser.

3.3 Deliveries by the Purchaser at the Closing. At Closing, unless otherwise waived in writing by the Company, the Purchaser shall deliver or cause to be delivered the following:

(a) the payments set forth in, and in accordance with, Section 2.5;

(b) to the Company, the Leesona Bill of Sale and Assignment and Assumption Agreement, duly executed by the Purchaser;

(c) to the Company, either a New Lease or a Leased Real Property Assignment and Assumption Agreement for each Leased Real Property, duly executed by the Purchaser;

(d) to the Company, a certificate of the Secretary of the Purchaser, in a form reasonably acceptable to the Company, certifying the organizational documents (articles of incorporation and bylaws) of the Purchaser and the resolutions necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements by the Purchaser;

(e) to the Company, a good standing or similar certificate of the Purchaser from its jurisdiction of formation dated within twenty (20) days prior to the Closing Date; and

(f) to Robert C. Clark, the Employment Agreement of Mr. Clark and to Jim S. Arrington, the Employment Agreement of Mr. Arrington, both in the form referred to above and duly executed by the Purchaser.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Sellers represent and warrant to the Purchaser that each statement contained in this Article IV is true and correct as of the date hereof, except as set forth in the disclosure schedule delivered as of the date hereof by the Company to the Purchaser (the "Company Disclosure Schedule").

4.1 Organization and Good Standing. The Company is a corporation duly organized and existing under the Laws of the State of North Carolina, has all requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted, and is duly qualified to do business and is in good standing in North Carolina, which is the only state in which it owns or leases property or conducts any business so as to require such qualification. The Company does not engage in any business other than the Business.

4.2 Authority and Enforceability. The Company and each Securityholder has all requisite power, right, capacity, and authority, as applicable, to enter into this Agreement and each Ancillary Agreement to which it is a party and to consummate the transactions and perform its obligations contemplated hereby and thereby. The execution and delivery by the Company and each Securityholder of this Agreement and each Ancillary Agreement to which it is a party, and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate or other action, as applicable, on the part of the Company or such Securityholder. This Agreement has been, and upon execution the Ancillary Agreements will be, duly and validly executed and delivered by the Company and each Securityholder and, assuming the due authorization, execution and delivery hereof and thereof by the Purchaser, this Agreement constitutes, and upon execution the Ancillary Agreements to which the Company and the Shareholders, as applicable, are a party will constitute, legal, valid, and binding obligations of the Company and the Shareholders, enforceable against the Company and the Shareholders, as applicable, in accordance with their respective terms, except as such enforceability may be limited by (i) bankruptcy, insolvency and similar Laws affecting creditors' rights and relief of debtors generally and (ii) the effect of general principles of equity, including general principles of equity governing specific performance, injunctive relief and other equitable remedies (regardless of whether such enforceability is considered in a proceeding in equity or at law) (the "Enforceability Exceptions").

4.3 Noncontravention. Except as set forth in Schedule 4.3 of the Company Disclosure Schedule, the execution, delivery and performance of this Agreement and the Ancillary Agreements by the Company and the Shareholders, as applicable, does not and will not: (a) conflict with the articles of incorporation, by-laws or other organizational documents of the Company, or any resolution adopted by the directors or shareholders of the Company, (b) violate any Law or any Order of any Governmental Entity to which the Company or any Securityholder is subject, (c) result in any breach of, constitute a default under or give to any Person any rights of termination, acceleration or cancellation of, any Contract to which the Company is a party or is subject; or (d) result in the creation of any Lien upon the Leesona Assets or permit the acceleration of the maturity of any indebtedness secured by the Leesona Assets.

4.4 Governmental Approvals. No Permit or Order of, registration, declaration or filing with, or notice to, any Governmental Entity is required by the Company or the Shareholders in connection with the execution and delivery of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby.

4.5 Capitalization. The authorized equity securities of the Company are set forth in Schedule 4.5 of the Company Disclosure Schedule and are owned of record and beneficially as set forth on such Schedule. Each Person set forth on such Schedule has sole voting power and sole power to agree to all of the matters set forth in the Agreement, in each case with respect to all of the equity securities of the Company set forth opposite such Person's name on Schedule 4.5 of the Company Disclosure Schedule, with no limitations, qualifications or restrictions on such rights and powers, and such Person has not granted and will not grant such rights and powers to any other Person. There are no authorized or outstanding options, warrants, calls, rights of first refusal or other rights of any character to acquire equity or debt interests from the Company. The Company has no subsidiaries or investments in, or partnerships with, any other Person.

4.6 Financial Statements; Absence of Undisclosed Liabilities.

(a) Set forth in Schedule 4.6(a) of the Company Disclosure Schedule are the following (collectively, the "Financial Statements"): (i) the internally prepared unaudited balance sheets of the Company as of December 31, 2017, 2016, and 2015 and the related internally prepared unaudited statement of income for the fiscal years ended on such dates, and (ii) the internally prepared unaudited balance sheet of the Company as of December 31, 2018 (the "Latest Balance Sheet" and such date the "Latest Financial Statement Date") and the related internally prepared unaudited statement of income for the twelve month fiscal period ended on such date.

(b) The Financial Statements (i) have been prepared from, and are in accordance with, the books and records of the Company, (ii) are true, complete and correct in all material respects, (iii) properly reflect all assets and liabilities of the Company as of the dates of the respective Financial Statements and (iv) fairly present in all material respects the financial position of the Company as of the indicated dates and the results of operations of the Company for the specified periods. No financial statements of any other Person are required by GAAP to be included in the Financial Statements. The books of account and other business records of the Company, all of which are in the possession of the Company and have been made available to the Purchaser, have been maintained in accordance with commercially reasonable business practices, consistently applied.

(c) The Company has no Liabilities other than: (i) those that are adequately reflected or reserved against in the Latest Balance Sheet; (ii) those which have been incurred since the Latest Financial Statement Date in the ordinary course of business and consistent with past practice, none of which resulted from or related to any breach of contract, breach of warranty, tort, infringement, or violation of Law; (iii) executory Liabilities under any applicable Assigned Contract; and (iv) obligations under this Agreement and the Ancillary Agreements. The Company will, after giving effect to the transactions contemplated by this Agreement, be solvent and capable of meeting its obligations as they become due, have total assets exceeding its total liabilities and have a reasonable amount of capital.

4.7 Absence of Certain Changes or Events. Since December 31, 2018, (a) there has not been any adverse change in the condition (financial or otherwise), operations, results of operations, Leesona Assets or Liabilities of the Company or the Business, other than changes in the ordinary course of business which have not had and could not reasonably be expected to have (individually or in the aggregate) a Material Adverse Effect and (b) the Business has been conducted only in the ordinary course consistent with past practice. Without limiting the generality of the foregoing, except as set forth in Schedule 4.7 of the Company Disclosure Schedule, since December 31, 2018, the Company has not done or experienced any of the following (or taken any action or omitted to take any action that would lead to the following):

(a) entered into, amended or terminated any Contract disclosed or that would have been required to be disclosed on Schedule 4.14 other than in the ordinary course of business consistent with past practices;

(b) changed any accounting principles, methods or practices of the Company, or the manner the Company keeps its books and records, or their respective practices with regard to the booking of sales, receivables, payables or accrued expenses or materially altered its collection practices with respect to accounts receivable or its payment practices with respect to accounts payable;

(c) (i) granted any severance, continuation or termination pay to any director, officer, shareholder or employee of the Company, or amended the Company's vacation policy; (ii) entered into any employment, deferred compensation or other similar agreement (or any amendment to any such existing agreement) with any director, officer, shareholder or employee of Company (except for hiring of non-officer employees in the ordinary course of business consistent with past practices on an at-will basis); (iii) increased benefits payable or potentially payable under any severance, continuation or termination pay policies or employment agreements with any director, officer, shareholder or employee of the Company; (iv) increased compensation, bonus or other benefits payable or potentially payable to directors, officers, shareholders or employees of the Company; (v) adopted any new or changed the terms of any existing bonus, pension, insurance, health or other benefit plan of the Company; or (vi) represented to any employee or former employee of the Company that Purchaser would continue to maintain or implement any benefit plan or would continue to employ such employee after the Closing Date;

(d) suffered any material damage, destruction, or loss (whether or not covered by insurance) to any of its properties or assets;

(e) except in the ordinary course of business consistent with past practices and levels, granted customers of the business any rebates, price concessions, discounts or allowances, materially altered its pricing or payment terms or agreed to any material reduction in discounts received from suppliers or any material increase in the price of raw materials;

(f) sold, transferred, leased to others, or otherwise disposed of any assets, except for inventory or other assets sold in the ordinary course of business consistent with past practice;

(g) failed to replenish inventories and supplies and to acquire equipment and other assets in a normal and customary manner consistent with its prior practice, or made any purchase commitment in excess of the normal, ordinary and usual requirements of its business or at any price in excess of the then-current market price or upon terms and conditions more onerous than those usual and customary in the industry, or made any change in its selling, pricing, advertising or personnel practices inconsistent with its prior practice;

(h) made any declaration, setting aside or payment of any non-cash dividend or other non-cash distribution with respect to, or any repurchase, redemption or other acquisition of, any of its capital stock or other equity interests;

(i) purchased, leased or otherwise acquired (whether by merger, consolidation, or other business combination, purchase of securities, purchase of assets or otherwise) any material portion of the business or assets of any other Person;

(j) terminated or closed any facility, business or operation;

(k) written up or down any of its material properties or assets or materially revalued any of its inventory or altered its inventory management or valuation policies or practices; or

(l) committed or agreed to do any of the foregoing.

4.8 <u>Taxes</u>. Except as set forth on <u>Schedule 4.8</u> of the Company Disclosure Schedule:

(a) The Company has duly and timely filed all Tax Returns and reports required to be filed by it. All such Tax Returns were true, correct and complete in all material respects. The Company has made available to Purchaser true, correct and complete copies of all Tax Returns filed by the Company during the three (3) consecutive year period ending on December 31, 2018. All Taxes required to be paid by the Company have been paid, whether or not shown on any such Tax Returns;

(b) All Taxes required to be withheld or collected by the Company have been withheld or collected and have been (or will be) duly and timely paid to the proper Taxing Authority. The Company has complied in all material respects with Tax recordkeeping requirements;

(c) No deficiencies for any Taxes have been proposed, asserted or assessed against the Company in writing that are still pending. There is no dispute or claim concerning any Tax Liability of the Company expected to be claimed or raised for any period for which Tax Returns have been filed. To the Knowledge of the Sellers, there currently exists no proposed Tax assessment against the Company;

(d) No requests for waivers of the time to assess any Taxes against the Company have been made that are still pending;

(e) No Tax Return of the Company is under current examination by any Taxing Authority;

(f) There is no pending claim by any Taxing Authority of a jurisdiction where the Company has not filed Tax Returns that the Company is subject to taxation in that jurisdiction;

(g) No power of attorney currently in force has been granted by the Company that would be binding on the Purchaser with respect to Tax matters for taxable periods including, or beginning after, the Closing Date;

(h) The Company has not received a Tax ruling or entered into a closing or similar agreement with any Taxing Authority that will be binding on the Purchaser after the Closing. The Company has not entered into any agreement with any Taxing Authority, including any Tax abatement, Tax credit, or payment in lieu of Taxes agreements that will be binding on the Purchaser after the Closing;

(i) There are no Liens as a result of any unpaid Taxes upon any of the assets of the Company;

(j) The Company has not made any payments, and there is no contract, agreement, plan, or arrangement covering any Person that, individually or collectively, could give rise to the payment of any amount (individually or in the aggregate) that would not be deductible by Purchaser by reason of Section 280G of the Code or would cause the Purchaser to be subject to Section 4999 of the Code (or any corresponding provisions of state, local or foreign Tax Law); and

(k) The Company has not participated in any "listed transaction" as defined in Treasury Regulation Section 1.6011-4(b)(2) or any transaction that is substantially similar to a "listed transaction".

4.9 <u>Compliance with Law</u>. The Company has conducted and is conducting the Business in compliance in all material respects with all applicable Laws. There are no pending claims or investigations by any Governmental Entity alleging any violation by the Company of any applicable Laws. To the

Knowledge of the Sellers, no event has occurred nor circumstance exists that (with or without the lapse of time) (i) will constitute or result in violation by the Company, or a failure on the part of the Company to comply in all material respects with, any Law or (ii) will give rise to any obligation on the part of the Company to undertake, or to bear all or any portion of the cost of, any remedial action of any nature.

4.10 Business Permits. The Company owns, holds or lawfully uses in the operation of the Business all material Permits which are necessary for the Company to conduct the Business as currently conducted or for the ownership and use of the assets owned or used by the Company in the conduct of the Business (the "Business Permits"). Such Business Permits are set forth on Schedule 4.10 of the Company Disclosure Schedule and are valid and in full force and effect. Except as set forth in Schedule 4.10 of the Company Disclosure Schedule, the Company has not received notice since January 1, 2018 regarding any violation of, conflict with, failure to comply with the terms of, or any revocation, withdrawal, termination, cancellation, suspension or modification of, any Business Permit. To the Knowledge of the Sellers, the Company is not in default, nor has the Company received written notice of any claim of default, with respect to any Business Permit.

4.11 Title to Personal Properties; Sufficiency of Assets; Condition of Tangible Assets.

(a) The Company has good and marketable title to all personal property and assets (including all tangible and intangible property and fixtures) comprising the Leesona Assets, free and clear of all Liens except for Permitted Liens and Liens securing Indebtedness of the Company that will be paid and satisfied in full at Closing.

(b) The Leesona Assets and Leased Real Property include all of the tangible and intangible property and assets (including computer hardware, software and operating systems) necessary for the continued conduct of the Business after the Closing in the substantially the same manner as conducted prior to the Closing. All Leesona Assets that are tangible property are in such operating condition and repair (subject to normal wear and tear), that they are usable to conduct the Business as it is currently being conducted. None of such tangible property that constitute Leesona Assets is in need of maintenance or repairs, except for ordinary routine maintenance and repairs that are not material in nature or cost to such Leesona Asset. All of the tangible assets that constitute Leesona Assets (including inventories, other than goods in transit) are located at the Leased Real Property. Other than obsolete, spoiled or damaged inventory reflected on the Books and Records of the Company, all raw materials, work-in-process, finished goods, supplies, spare parts and other inventories of the Company consist of a quality and quantity usable and, with respect to finished goods, saleable, in the ordinary course of business consistent with past practice of the Company. The Company is not in possession of any inventory not owned by the Company. All inventories are valued at the Inventory Valuation Methodology on a basis consistent with past practice. The reserve for obsolescence/spoilage with respect to inventories is adequate and calculated consistent with past practice. Inventories that were purchased after December 31, 2018 were purchased in the ordinary course of business consistent with past practice of the Company. The quantities of each item of inventory are not excessive, but are reasonable for the continued operation of the Business in the ordinary course of business consistent with past practice of the Company.

4.12 Leased Real Property.

(a) The Company does not own any real property.

(b) The Company does not currently lease any real property in its conduct of the Business except the premises as set forth on Schedule 4.12(b) of the Company Disclosure Schedule (the "Leased Real Property") pursuant to Lease Agreements attached to Schedule 4.12 (b) (the "Leases of Real Property").

(c) With respect to the Leased Real Property, except as set forth on Schedule 4.12(c) of the Company Disclosure Schedule:

(i) to the Knowledge of the Sellers, there are no encroachments, and the improvements are situated entirely within the boundaries and within applicable building and set-back lines;

(ii) to the Knowledge of the Sellers, no portion is located within any Special Flood Hazard Area designated by the Federal Emergency Management Agency, or in any area similarly designated by any agency of any other Governmental Entity; no portion meets the definition of "wetlands" codified at 40 C.F.R. part 230.3(t), or has been similarly designated by any agency of any Governmental Entity; and no portion constitutes "wetlands" that have been filled, whether or not pursuant to appropriate permits;

(iii) no notice of any increase in the assessed valuation and no notice of any contemplated special assessment has been received by the Company, and, to the Knowledge of the Sellers, there is no threatened special assessment pertaining thereto;

(iv) there are no parties (other than the Company) in possession of any portion thereof;

(v) no portion thereof is subject to any pending condemnation or eminent domain legal proceeding or other legal proceeding by any Governmental Entity and, to the Knowledge of the Sellers, there is no threatened condemnation or eminent domain proceeding or other proceeding with respect thereto;

(vi) to the Knowledge of the Sellers, the physical condition is free from any material defect and sufficient to permit the continued conduct of the Businesses as presently conducted, subject to the provision of usual and customary maintenance and repair performed in the ordinary course with respect to similar properties of like age and construction, and no repairs, replacements or regularly scheduled maintenance has been deferred by the Company;

(vii) to the Knowledge of the Sellers, all water, storm and sanitary sewer, gas, electric, telephone and drainage facilities, and all other utilities required by any Law or necessary for the current use and operation are installed to the property lines, are connected pursuant to valid Permits, if necessary, to municipal or public utility services or proper drainage facilities, are fully operable and are adequate to service the Leased Real Property;

(viii) the classification under applicable zoning laws, ordinances and regulations permits the use and occupancy thereof and the operation of the Business thereon (To the Knowledge of the Sellers, the Company's use or occupancy thereof or the operation of the Business is not dependent on a "permitted non-conforming use" or "permitted non-conforming structure" or similar variance, exemption or approval from any Governmental Entity.);

(ix) to the Knowledge of the Sellers, the current use and occupancy thereof and the operation of the Business do not violate any easement, covenant, condition, restriction or similar provision in any instrument of record or other unrecorded agreement affecting the Leased Real Property and the Company has not received any notice of violation of the foregoing;

(x) to the Knowledge of the Sellers, the Leased Real Property is not subject to any use, development or occupancy restrictions (except those imposed by applicable zoning and subdivision laws and regulations), Taxes or utility "tap-in" fees, or charges or restrictions, whether existing of record or arising by operation of Law, unrecorded or unregistered agreement or the passage of time or otherwise; and

(xi) all of the Company's records relating to the Business or the Leesona Assets (including without limitation all inventory and equipment) are located at the Leased Real Property.

4.13 Intellectual Property.

(a) Schedule 4.13(a) of the Company Disclosure Schedule sets forth all Owned Intellectual Property that is registered or subject to an application for registration with respect to the Company including, where applicable, the relevant jurisdiction, the application or registration number, the filing date and the current owner. The Company owns or has a valid right to use, pursuant to a license, sublicense, agreement or permission, all of the Intellectual Property that is used in or held for use in connection with the Business, free from any Liens (other than Permitted Liens). Sellers have taken all necessary and prudent action to maintain and protect the Owned Intellectual Property.

(b) For a period of twelve (12) months following the Closing Date, Sellers agree to cooperate with Purchaser and any successors-in-interest or assignees of the Purchaser, at the expense of Purchaser or such successors-in-interest or assignees, in any efforts of Purchaser or such successors-in-interest or assignees to apply for, register, perfect, confirm, protect, and/or enforce any Owned Intellectual Property.

(c) No current or former equity holder, officer, director, or employee of the Company has any valid claim, right, or interest to or in any Intellectual Property used in the Business.

(d) Schedule 4.13(d) of the Company Disclosure Schedule includes a listing of all trade names, trademarks, and logos used in the Business (collectively the "Marks"). The name "Leesona" and the Leesona logo have been used by the Company for more than fifteen (15) years and, to the Knowledge of the Sellers, no other Person has used that name or logo to conduct its business during this period. To the Knowledge of the Sellers, no third party uses a name or logo in a manner that is likely to cause confusion as to the affiliation, connection, association, origin of goods and services, sponsorship, or approval between the Company and such third party or so as to otherwise confuse or mislead consumers. The Company does not have any agreement or understanding with any Person, and, to the Knowledge of the Sellers, there is no restriction under any applicable Law, that would limit or restrict in any way its ability to use or expand in the United States the Marks in connection with the Business as currently conducted.

(e) The Company is not a party to any license held by third parties that permit such third parties to use Owned Intellectual Property.

(f) To the Knowledge of the Sellers, no Person has infringed or violated any Owned Intellectual Property.

(g) All Licensed Intellectual Property licensed by the Company for use in connection with the Leesona Assets ("In-Bound Licenses") is valid, subsisting and binding, except as such enforceability may be limited by the Enforceability Exceptions and, to the Knowledge of the Sellers, no party thereto is in breach or other violation of any such In-Bound License. Except as set forth in Schedule 4.13(g) of the Company Disclosure Schedule and subject to the terms and conditions of such licenses, the Company's licenses to use the Licensed Intellectual Property are free and clear of all restrictions, Liens, court orders, injunctions, decrees or writs attributable to use by the Company. Schedule 4.13(g) of the Company Disclosure Schedule sets forth a list of all In-Bound Licenses with respect to the Company. Except as set forth in Schedule 4.13(g) of the Company Disclosure Schedule, the Company is not contractually obligated to make royalty payments of a material nature or pay fees to any owner of, licensor of, or other claimant to, any Intellectual Property rights.

(h) To the Knowledge of the Sellers, the Company has not infringed upon or otherwise violated the Intellectual Property rights of any third party and the Company has not received any notice alleging any such violation, infringement or other conflict, nor, to the Knowledge of the Sellers, is there a threatened claim or reasonable basis for any such claim.

(i) The Owned Intellectual Property is not subject to any outstanding Order or agreement restricting the scope of use thereof by the Company.

(j) The Owned Intellectual Property and the In-Bound Licenses constitute all Intellectual Property rights used or necessary for the operation of the Business as currently conducted by the Company.

(k) The computer software, hardware, networks, communications facilities, systems, databases, other technology, and related services, owned by or used in the Business by the Company (the "Systems") are sufficient in all material respects for the operation of the Business as currently conducted by the Company. The Company has arranged for disaster recovery and back up services, that are commercially reasonable and are intended to minimize any disruption to the conduct of the Business by the Company in the event the Systems or any material component thereof are rendered temporarily or permanently inoperative or degraded as a result of a reasonably foreseeable natural disaster or other cause beyond the reasonable control of the Company. During the twelve (12) months immediately prior to the Closing Date hereof, (i) there have been, to the Knowledge of the Sellers, no viruses, bugs, worms, errors, failures, breakdowns, or other adverse events affecting the Systems that have caused any material disruption, degradation or interruption in or to the use of the Systems and/or the conduct of the Business by the Company, and (ii) to the Knowledge of the Sellers, there has been no unauthorized intrusion, use or breach of security of any of the Systems.

(l) The Company has taken commercially reasonable measures to protect the confidentiality of its Trade Secrets and all other information, data and materials that the Company deems confidential and, to the Knowledge of the Sellers, there has been no unauthorized disclosure of such Trade Secrets or such other confidential information, data or materials.

4.14 Listed Contracts.

(a) Schedule 4.14(a) of the Company Disclosure Schedule contains an accurate and complete list, and the Company has delivered to the Purchaser accurate and complete copies, of each of the following Company Contracts:

(i) any Company Contract with any labor union or other employee representative of a group of employees relating to wages, hours and other conditions of employment;

(ii) any Company Contract involving a joint venture, partnership, investment, or franchise arrangement, and any Company Contract involving sharing of profits, losses, costs or liabilities by the Company with any other Person;

(iii) any Company Contract involving a purchase or sale of a division, business, or business entity, whether by a purchase or sale of assets, stock, merger or otherwise;

(iv) any Company Contract containing covenants that in any way purport to restrict the Company's business activity or limit the freedom of the Company to engage in any line of business or to compete with any Person, including any agreement imposing confidentiality (excluding Company Contracts that do nothing more than reflect confidentiality or secrecy obligations of the Company that are required as a matter of Law), non-competition or non-solicitation obligations on the Company;

(v) any Company Contract providing for payments to or by any Person based on sales, revenues, professional services, purchases or profits, other than direct payments for goods;

(vi) any power of attorney granted by the Company to another Person that is currently effective and outstanding;

(vii) any written warranty, guaranty and/or other similar undertaking with respect to product or service performance extended by the Company;

(viii) any Company Contract with an employee of or independent contractor to the Company;

(ix) any Company Contract relating to the borrowing of money or to the mortgaging, pledging or otherwise placing a Lien (other than a Permitted Lien) on any of the Company's assets,

(x) any lease (capital or operating) of any real or personal property;

(xi) any Company Contract with respect to the Company's lending or investing of funds;

(xii) any Company Contract that involves performance of services or delivery of goods or materials by the Company (individually or in the aggregate) of an amount or value in excess of Fifty Thousand and No/100 Dollars ($50,000.00);

(xiii) any Company Contract that involves performance of services or delivery of goods or materials to the Company (individually or in the aggregate) of an amount or value in excess of Fifty Thousand and No/100 Dollars ($50,000.00);

(xiv) any license or royalty Contract (other than customer agreements pursuant to which the Company has licensed off-the-shelf or click-through commercial software available for less than Ten Thousand and No/100 Dollars ($10,000.00) per agreement);

(xvi) any Company Contract that includes any clause requiring the Company to deal with any Person on an exclusive basis, or containing "most favored nations" or similar pricing arrangements, any Company Contract requiring payment in excess of Twenty five Thousand and No/100 Dollars ($25,000.00) in a year that includes any clause requiring the Company to purchase minimum quantities (or pay any amount for failure to purchase any specific quantities) of goods or services;

(xvii) any Company Contract that requires the Company to indemnify or hold harmless any other Person or provide a guaranty of or by the Company;

(xx) any Company Contract between the Company and any Securityholder or any Affiliate of a Securityholder; and

(xxi) any amendment, supplement and modification (whether oral or written) in respect of any of the foregoing.

(b) Except as set forth in Schedule 4.14(b) of the Company Disclosure Schedule, each Company Contract identified or required to be identified in Schedule 4.14(a) of the Company Disclosure Schedule: (i) is in full force and effect and is valid and enforceable in accordance with its terms, except as such enforceability may be limited by the Enforceability Exceptions; and (ii) is assignable to the Purchaser without the consent of any other Person. Further, for all open purchase order(s) assigned to and assume by Purchaser at Closing, the consent of the customer for the assignment and assumption has been obtained.

(c) Except as set forth in Schedule 4.14(c) of the Company Disclosure Schedule:

(i) the Company is in compliance with all material terms and requirements of each Assigned Contract;

(ii) to the Knowledge of the Sellers, each other Person that has or had any obligation or liability under any Assigned Contract is in compliance with all material terms and requirements of such Assigned Contract;

(iii) to the Knowledge of the Sellers, no event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with or result in a breach of, or give the Company or other Person(s) party thereto the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or payment under, or to cancel, terminate or modify, any Assigned Contract;

(iv) no event has occurred or circumstance exists under or by virtue of any Assigned Contract that (with or without notice or lapse of time) would cause the creation of any Lien (other than a Permitted Lien) affecting any of the Leesona Assets; and

(v) the Company has not given to or received from any other Person, at any time since January 1, 2019, any notice or other communication (whether oral or written) regarding any actual, alleged, possible or potential violation or breach of, or default under, any Assigned Contract.

(d) There are no renegotiations of or attempts to renegotiate any material amounts paid or payable to the Company under any Assigned Contracts and no Person has made a demand for such renegotiation.

4.15 Litigation. Except as set forth on Schedule 4.15 of the Company Disclosure Schedule, there is no action, investigation, inquiry, hearing, suit, proceeding, claim, arbitration or litigation (each, an "Action"), pending or, to the Knowledge of the Sellers, threatened against the Company or any asset owned or used by the Company in the Business and, to the Knowledge of the Sellers, no event has occurred or circumstance exists that would reasonably be expected to give rise to or serve as a basis for the commencement of any such Action. There are no outstanding Orders related to the Business to which the Company or any asset owned or used by the Company in the Business is subject. Except as set forth on Schedule 4.15 of the Company Disclosure Schedule, no Action has been filed against, or settled by, the Company since January 1, 2018.

4.16 Employee Benefits. Schedule 4.16 of the Company Disclosure Schedule lists all Benefit Plans. Except as set forth on Schedule 4.16 of the Company Disclosure Schedule, no Benefit Plan is an "employee welfare benefit plan" or "employee pension benefit plan" as such terms are defined in Section 3(1) and 3(2) of ERISA. Except as set forth on Schedule 4.16 of the Company Disclosure Schedule, no plan, agreements, understandings or arrangement exists that could result in the payment to any current or former employee, director, manager or consultant of the Company of any money or other property rights or accelerate or provide any other rights or benefits to any such Person as a result of (a) the transactions contemplated herein (whether or not such payment, acceleration, or provision would constitute a "parachute payment" (within the meaning of Section 280G of the Code) or whether or not some other subsequent action or event would be required to cause such payment, acceleration or provision to be triggered) or (b) the severance, termination or resignation of any such Person. All Benefit Plans are and have been administered and operated in material compliance with all applicable Laws, including but not limited to ERISA and the Code, and the terms of the documents evidencing the Benefit Plans. No communication, report or disclosure has been made within the last three (3) years which, at the time made, did not accurately reflect the material terms and operation of any Benefit Plan. All compensation arrangements with employees or consultants of the Company materially comply with Section 409A of the Code and regulations promulgated thereunder. No Benefit Plan is, or ever has been, subject to Title IV of ERISA, Section 302 of ERISA or Section 412 of the Code. No direct, contingent, or secondary Liability or other obligation to any Person has been incurred or will be incurred by the Purchaser or any of its Affiliates in connection with any Benefit Plan, other than with respect to Purchaser's sponsorship of a Specified Benefit Plan after the Effective Time, and for the avoidance of doubt, Purchaser shall have no Liability resulting from or related to a breach of any Specified Benefit Plan prior to the Effective Time or any other acts or omissions occurring prior to the Effective Time including, without limitation, under Title IV of ERISA or Section 302 of ERISA or Section 412 of the Code. No Benefit Plan is or ever has been a multiemployer plan (within the meaning of Section 3(37) of ERISA), and the Company does not have any Liability in connection with any such multiemployer plan. Neither the Company nor any other Person has, or may be reasonably be expected to incur, any Liability in connection with Section 404 or 406 of ERISA, or Section 4975 or 4980B of the Code, in connection with any Benefit Plan. Each Benefit Plan may be amended, from time to time, and/or terminated, unilaterally by the Company without the approval or consent of any Person (other than the Company) and without Liability to any Person. All Forms 5500 required to be filed in connection with each Benefit Plan have been timely filed in accordance with the requirements of applicable Law. Each Specified Benefit Plan which provides coverage or benefits described in, or similar to benefits or coverage described in, Section 3(1) of ERISA are fully insured, and are not funded by the Company or any other Person (other than an insurance company licensed to engage in the applicable business of insurance in each applicable jurisdiction). Schedule 4.16 of the Company Disclosure Schedule sets forth, among other information, the dollar value, as of December 31, 2018, of the unused, vested vacation benefits under the Company's employee vacation policy with respect to each Company employee.

4.17 Labor and Employment Matters.

(a) Schedule 4.17(a) of the Company Disclosure Schedule sets forth a list of all individuals who are independent contractors of the Company ("Contractors") and all Business Employees (including, for Contractors and Business Employees, title, position, current compensation, compensation for 2018, vacation and sick leave that is accrued but unused (if applicable), and date of hire or initiation of service) as of the date hereof.

(b) Except as set forth in Schedule 4.17(b) of the Company Disclosure Schedule, as of the Closing Date, (i) no Business Employees or Contractors are represented by a labor organization, (ii) there are no existing or pending or, to the Knowledge of the Sellers, threatened strikes, work stoppages, work slowdowns, lockouts or other material labor disputes related to the Business Employees or Contractors, (iii) to the Knowledge of the Sellers, there are no union organizational campaigns or decertification efforts in progress with respect to the Business Employees or Contractors, or any questions concerning representation with respect to such Business Employees or Contractors, (iv) there are no unfair labor practice charges or complaints pending or, to the Knowledge of the Sellers, threatened against the Company with the National Labor Relations Board, and (v) there is no material employment-related charge, complaint, grievance, investigation, inquiry or obligation of any kind, pending or, to the Knowledge of the Sellers, threatened in any forum, relating to an alleged violation or breach by the Company (or its officers or directors) of any Law, regulation or contract.

(c) The Company has complied in all material respects with all Laws relating to employment practices, terms and conditions of employment, equal employment opportunity, nondiscrimination, immigration, wages, hours, benefits, collective bargaining, the payment of social security and similar Taxes and occupational safety and health. The Company is not liable for the payment of any Taxes, fines, penalties, or other amounts, however designated, for failure to comply with any of the foregoing legal requirements.

(d) No employee, officer, manager or director of the Company, and to the Knowledge of the Sellers no other Business Employees or Contractors, is a party to or bound by any agreement that (i) could adversely affect the performance of his or her duties as an employee, officer, manager or director other than for the benefit of the Company, (ii) could adversely affect the ability of the Company to conduct the Business, (iii) restricts or limits in any way the scope or type of work in which he or she may be engaged other than for the benefit of the Company or (iv) requires him or her to transfer, assign or disclose information concerning his or her work to anyone other than the Company.

(e) Except as set forth on Schedule 4.17(e) of the Company Disclosure Schedule, no Business Employee or Contractor (i) has given written, or to the knowledge of the Company oral, notice of his, her or its intent to terminate his, her or its relationship with the Company during the one (1) year period beginning on the Closing Date, (ii) has received notice of such termination from the Company or (iii) has, to the Knowledge of the Sellers, any intention to terminate his, her or its relationship with the Company.

4.18 Environmental. Except as set forth in Schedule 4.18 of the Company Disclosure Schedule:

(a) the Company is, and at all times has been, in material compliance with all Environmental Laws, which compliance includes possessing and materially complying with all Permits, authorizations and approvals required by Environmental Laws for its operations (collectively, "Environmental Permits") and materially complying with all requirements related to notice, recordkeeping and reporting;

(b) (i) there are no non-compliance Orders, warning letters, notices of violation, suits, actions, judgments, claims or governmental or judicial investigations or proceedings pending or, to the Knowledge of the Sellers, threatened against the Company alleging the violation of or Liability under Environmental Laws, and (ii) the Company: (A) is not a party to or bound by any Order pursuant to any Environmental Law or relating to any Environmental Condition, (B) has not been the subject of or, to the Knowledge of the Sellers, threatened with, any enforcement action by a Governmental Entity or third party claim under any Environmental Law, and, to the Knowledge of the Sellers, none of the above is reasonably likely to be forthcoming; or (C) has not received any written request for information, notice, demand letter, administrative inquiry, or claim with respect to any Environmental Condition (including under the citizen suit provision of any Environmental Law);

(c) (i) the Company has not generated, manufactured, refined, transported, treated, stored, handled, disposed, discharged, Released, transferred, produced, recycled, or processed any Hazardous Materials or wastes at or from the Leased Real Properties or any other location where the Company has conducted its business except, in each case, in material compliance with all applicable Environmental Laws, and, (ii) to the Knowledge of the Sellers, there is no Release or threat of Release of any Hazardous Materials at the Leased Real Properties or any other location where the Company has conducted its business;

(d) (i) the Company has not received notice of an Environmental Condition at any off-site location or locations to which the Company transported or arranged for the transportation of Hazardous Material; and (ii) the Company has not at any time Released, or at any time allowed or arranged for any third party to Release of, any Hazardous Materials to, at or upon: (A) any location other than a site lawfully permitted to receive such Hazardous Materials; (B) any parcel of real property owned, used or leased at any time by the Company except in material compliance with Environmental Laws; or (C) any site that, pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, ("CERCLA") or any similar state Law, has been placed on the National Priorities List or its state Law equivalent or as to which the United States Environmental Protection Agency or any relevant state agency or other Governmental Entity has notified the Company that it has proposed or is proposing to place on the National Priorities List or such state Law equivalent;

(e) to the Knowledge of the Sellers, there are no, and never have been any, underground storage tanks present on the Leased Real Properties;

(f) there are no past or present events, conditions, circumstances, activities, practices, incidents, actions, omissions or plans that, to the Knowledge of the Sellers, could reasonably be expected to give rise to any obligation on the part of the Company to investigate, report or remediate any Environmental Condition pursuant to any Environmental Law;

(g) the Company has delivered to Purchaser true, correct and complete copies of all reports or tests with respect to compliance of the Leased Real Properties with the Environmental Laws or the presence of Hazardous Materials that were: (i) prepared for the Company or (ii) prepared for other Persons, and are in the possession, custody or control of any of the Sellers;

(h) to the Knowledge of the Sellers, the Company has not at any time produced, manufactured, sold or otherwise placed in commerce any product containing asbestos or asbestos-containing material, and, to the Knowledge of the Sellers, there are no and never have been any asbestos or asbestos-containing material present on any Leased Real Property (except any thereof that have been removed in accordance with all applicable Laws); and

(i) the Company is not required or obligated to make any capital or other expenditures in excess, in the aggregate, of Twenty Five Thousand and No/100 Dollars ($25,000.00) to comply with any Environmental Law, nor, to the Knowledge of the Sellers, is there any reasonable basis on which any Governmental Entity would take any action that would require any such capital or other expenditure.

4.19 Insurance. Schedule 4.19 of Company Disclosure Schedule sets forth each insurance policy to which the Company is a party, a named insured or otherwise the beneficiary of coverage including the following information with respect to each such insurance policy: the name of the insurer, the policy number, the name of the policyholder, the period of coverage, and the amount of coverage. All premiums relating to such insurance policies have been timely paid and there are no retroactive premium payments. The Company has been covered during the past three (3) years by insurance in scope and amount customary and reasonable for the businesses in which it was engaged during such period. The Company is in compliance in all material respects with all obligations relating to insurance created by Law or any Contract to which the Company is a party. There are no pending claims under any insurance policy or fidelity bond that covers the Business. The Company has not received a notice of cancellation or non-renewal of any insurance policy. Except as set forth on Schedule 4.19 of the Company Disclosure Schedule, there have been no claims under any insurance policy since January 1, 2018.

4.20 Brokers. No broker, finder or investment banker is entitled to any brokerage, finders' or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of any Seller.

4.21 Transactions with Related Parties. Except as set forth in Schedule 4.21 of the Company Disclosure Schedule no Related Party (a) has or may acquire any right or interest in any Leesona Asset or Assumed Liability; (b) has, since January 1, 2018 (i) had any business dealings or a material financial interest in any transaction with the Company (other than being employed by the Company), or (ii) engaged in competition with the Company with respect to any line of the products or services of the Company in any market presently served by the Company or (c) is a party to any Contract with, or has any claim or right against, the Company. "Related Parties" means (i) the Shareholders, (ii) any Affiliate (other than the Company) of the Shareholders, and (iii) any executive officer or director of the Company, or any Affiliate of any executive officer or director of the Company; and "Related Party" means any of the foregoing Persons.

4.22 Material Customer. Since January 1, 2019, there has not been (a) any material change in the business relationship of the Business with any Material Customer or (b) any change in any material term (including credit terms) of the Contract or related agreements with any Material Customer. No Material Customer has given the Company notice that it intends to cease or substantially reduce its payment or reimbursements or seek to substantially adversely change the terms and conditions of such payment or reimbursements. During the past three years, the Company has not received any written material complaint concerning the services or practices of the Business from any Material Customer. Schedule 4.22 of the Company Disclosure Schedule sets forth the ten (10) largest Material Customers, and revenues received by the Company from each such Material Customer, for the calendar years ending December 31, 2016, 2017 and 2018.

4.23 Suppliers. Since the Latest Financial Statement Date, the Company has not entered into or made any Contract or commitment for the purchase of merchandise other than in the ordinary course of business consistent with past practice. No material supplier has given the Company notice that it intends after December 31, 2018 to cease or substantially decrease the supply of or substantially increase the price of or substantially adversely change the terms of sale of the goods and services currently purchased by the Business from such supplier. Schedule 4.23 of the Company Disclosure Schedule sets forth the ten (10) largest suppliers of the Business, and amount paid by the Company to each such supplier, for the calendar years ending December 31, 2016, 2017 and 2018.

4.24 Indebtedness. Schedule 4.24 of the Company Disclosure Schedule sets forth all Indebtedness of the Company.

4.25 Warranty and Product Liability Matters.

(a) Schedule 4.25(a) of the Company Disclosure Schedule sets forth: (i) a list of all material product liability claims made against the Company since January 1, 2016; and (ii) a summary of material warranty claims made against the Company, together with the annual cost associated with such warranty claims since January 1, 2016.

(b) To the Knowledge of the Sellers, the Company's products have no design, warning, or manufacturing defects which individually or in the aggregate would be material, and such products comply in all material respects with, and meet in all material respects the current standards (to the extent applicable to the Company) of, Law dealing with such products. Other than as set forth in Schedule 4.25(b) of the Company Disclosure Schedule, no claims, including product or service warranty, liability, strict liability, or negligence claims, in respect of the Company's products or services are pending or, to the Knowledge of the Sellers, threatened which individually or in the aggregate would be material.

4.26 Accounts Receivable. All the Accounts Receivable (a) represent actual obligations to pay incurred by the applicable account debtors, (b) have arisen from bona fide transactions in the ordinary course of business, and (c) are good and collectible in amounts consistent with the past practices of the Company. Since the Latest Financial Statement Date, there have not been any write-offs as uncollectible of any receivables, except for write-offs in the ordinary course of business and consistent with the past practices of the Company. Schedule 2.1(b) of the Company Disclosure Schedule contains a complete and accurate list of all accounts receivable of the Company as of the Closing Date (which schedule sets forth the aging of each such accounts receivable) other than the Retained Accounts Receivable.No Other Representations or Warranties. Except for the representations and warranties made by the Sellers contained in this Article IV or in any Ancillary Agreement, neither the Company, nor any Securityholder, nor any other Person makes any other representation or warranty with respect to the Company, the Leesona Assets, the Assumed Liabilities, the Business or the transactions contemplated by this Agreement.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Sellers that each statement contained in this Article V is true and correct as of the Closing Date, except as set forth in the disclosure schedule dated and delivered as of the date hereof by the Purchaser to the Sellers (the "Purchaser Disclosure Schedule").

5.1 Binding and Enforceable Agreement. The Purchaser is a corporation duly organized and existing under the Laws of the State of North Carolina. The Purchaser has the requisite power, right and authority to enter into this Agreement and each Ancillary Agreement and perform its obligations contemplated by this Agreement and the Ancillary Agreements. The execution and delivery of this Agreement and the Ancillary Agreements to which the Purchaser is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action on the part of the Purchaser. This Agreement has been, and upon execution the Ancillary Agreements will be, duly executed and delivered by the Purchaser and, assuming the due authorization, execution and delivery hereof and thereof by the Sellers, this Agreement constitutes, and upon execution the Ancillary Agreements will constitute, legal, valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, except as such enforceability may be limited by the Enforceability Exceptions.

5.2 Brokers. The Purchaser does not have any Liability for any fee, commission or payment to any broker, finder, investment banker or agent in connection with the transactions contemplated by this Agreement.

5.3 Litigation. There is no Action pending or, to the knowledge of the Purchaser, threatened against the Purchaser that (a) challenges or seeks to enjoin, alter or materially delay the consummation of the transactions contemplated by this Agreement, or (b) would reasonably be expected to have a material adverse effect on the Purchaser or the Purchaser's ability to consummate the transactions contemplated hereby and by the Ancillary Agreements.

5.4 Governmental Consents and Approvals. The Purchaser has obtained all consents, waivers, authorizations, or approvals of any Governmental Entity, and each declaration to or filing or registration with any such Governmental Entity, that are required in connection with the execution and delivery of this Agreement and any of the Ancillary Agreements to which it is a party or the performance by the Purchaser of any of its obligations hereunder or thereunder.

5.5 Solvency. The Purchaser is Solvent and will not be rendered not Solvent by the execution and performance of this Agreement or any of the Ancillary Agreements or the consummation of the transactions contemplated by this Agreement or any of the Ancillary Agreements.

5.6 Financial Ability. The Purchaser will have at Closing sufficient immediately available funds in cash or cash equivalents to pay the Purchase Price payable pursuant to this Agreement and to effect the transactions contemplated by this Agreement and the Ancillary Agreements.

ARTICLE VI

COVENANTS

6.1 Confidentiality.

(a) Each Seller acknowledges that such Seller has had access to and acquired information relating to the Business, including potential and present customer and client lists, customer or client records, policy manuals, price lists, business contracts, processes, plans, methods of doing business, special needs of customers or clients, data, compilations, programs, formula, patterns, compilations, programs, devices, methods, techniques, products, systems, processes, designs, prototypes, procedures, codes, financial data, profit margins, and other information (including information which the Company obtains from another party and treats as proprietary or confidential, whether or not owned or developed by the Company), that is not generally known to the public (collectively, "Proprietary Business Information"). Proprietary Business Information that constitutes a trade secret as defined in N.C. Gen. Stat. §66-152(3) referred to herein as a "Trade Secret." Proprietary Business Information that does not constitute a Trade

Secret is referred to herein as "Confidential Information." For a period of five (5) years after the Closing, each Seller shall (and shall cause its Affiliates to) keep secret and retain in confidence, and not use for the benefit of any Person other than the Purchaser and its Affiliates, any Confidential Information known to such Seller without the Purchaser's prior written consent, unless and to the extent that the Confidential Information is or becomes generally known to and available for use by the public other than as a result of the Company's or the Shareholders' fault. From and after the Closing, each Seller shall (and shall cause its Affiliates to) keep secret and retain in confidence, and not use for the benefit of any Person other than the Purchaser and its Affiliates, any Trade Secrets known to such Seller without the Purchaser's prior written consent, unless and to the extent that the Trade Secret is or becomes generally known to and available for use by the public other than as a result of the Company's or the Shareholders' fault. Notwithstanding the foregoing, however, a Seller and its Affiliates and representatives may disclose such information to the extent that such party is required to disclose for Tax purposes or otherwise by Law. If a Seller or any of its Affiliates or representatives discloses any such information in accordance with the immediately preceding proviso as a result of Tax purposes (other than in connection with preparing, filing, and/or amending Tax Returns or handling any matters with respect to such Tax Returns) or otherwise by Law, such party shall promptly notify the Purchaser in writing and, if requested by Purchaser, shall exercise its commercially reasonable efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information all at Purchaser's cost and expense.

(b) From and after the date hereof, except as required by applicable Law, each Party will, and will cause its Affiliates to, hold, and will cause its and their respective representatives to hold, in confidence any and all information, whether written or oral, concerning the terms of the transactions contemplated by this Agreement and the Ancillary Agreements; provided, however, that a Party may disclose any such information to the extent that such Party is required to disclose for Tax purposes, financial reporting purposes or otherwise by Law. If a Party or any of its Affiliates or representatives discloses any such information in accordance with the immediately preceding proviso as a result of Tax purposes (other than in connection with preparing, filing, and/or amending Tax Returns or handling any matters with respect to such Tax Returns), financial reporting purposes or otherwise by Law, such Party shall promptly notify the other Parties in writing and, if applicable, shall exercise its commercially reasonable efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

6.2 Public Announcements. Neither the Purchaser nor the Sellers shall issue any press releases or otherwise make any public statements with respect to the transactions contemplated by this Agreement without the prior consent of the Purchaser and the Shareholders; provided, however, that the Purchaser and/or its Affiliate may, without such approval, make such press releases or other public announcement as it believes are appropriate to inform actual and potential customers, suppliers, employees, contractors, or other Business stakeholders about the transactions (without disclosing the financial terms of the transactions) and, if the Purchaser and/or its Affiliate pursues any public securities offerings or registration, the Purchaser and/or its Affiliate may make such public disclosures as it believes are required or appropriate pursuant to any Law or any listing agreement with any national securities exchange.

6.3 Employees. The Purchaser expects to offer employment to commence effective upon the Closing to substantially all of the Affected Employees, and expects to enter into a service arrangement with each of the Affected Employees and the Contractors listed on Schedule 4.17(a) of the Company Disclosure Schedule on terms and conditions to be determined by the Purchaser and subject to any drug testing or other screening that the Purchaser deems appropriate. The Company shall terminate all Affected Employees and Contractors on the Closing Date. The Company will upon request by the Purchaser and to the extent permitted by applicable Law provide the Purchaser with copies of all records (a) necessary to verify that each Business Employee and Contractor is legally eligible to work in the United States and (b) otherwise necessary or appropriate for the Purchaser to hire and employ the Business Employees and Contractors at Closing. The Purchaser will not be obligated to hire or employ any particular Business Employee or Contractor for any particular period or on any particular terms or conditions of employment after Closing.

The provisions of this Section 6.3 are solely for the benefit of the Parties and nothing in this Section 6.3, express or implied, shall confer upon any Business Employee or Contractor or any legal representative or beneficiary thereof, any rights or remedies, including any right to employment or continued employment for any specified period, or compensation or benefits of any nature or kind whatsoever under this Agreement. Further, the parties hereby acknowledge and agree that the aggregate commission payable to the sales team shall not exceed 2% of Net Sales. For the purposes of this clause, "Net Sales" means the sum of (a) Net Sales of Parts (i.e. net selling price of parts as reflected on the invoice less any applicable discounts, returns and allowances); and (b) Net Sales of Machines (i.e. net selling price of machines as reflected on the invoice less any applicable discounts, returns and allowances).

6.4 Taxes.

(a) The Company shall pay all federal, state and local sales, documentary and real estate and other transfer Taxes, if any, due as a result of the purchase, sale or transfer of the Leesona Assets in accordance herewith, whether imposed by Law on the Company or the Purchaser. The Company shall prepare, execute and file, and the Purchaser shall reasonably cooperate in the preparation, execution and filing of, all necessary Tax Returns and other documentation with respect to all such transfer Taxes.

(b) All real property Taxes (including real property Taxes paid by the Company with respect to Leased Real Property), personal property Taxes and similar ad valorem obligations levied with respect to the Leesona Assets for a taxable period that includes (but does not end on) the Closing Date shall be apportioned between the Company and the Purchaser as of the Closing Date based on the number of days of such taxable period included in the period ending prior to the Closing Date (with respect to any such taxable period, the "Pre-Closing Tax Period"), and the number of days of such taxable period beginning on and after the Closing Date (with respect to any such taxable period, the "Post-Closing Tax Period"). The Company shall be liable for the proportionate amount of such Taxes that is attributable to the Pre-Closing Tax Period, and the Purchaser shall be liable for the proportionate amount of such Taxes that is attributable to the Post-Closing Tax Period. If bills for such Taxes have not been issued as of the Closing Date and if the amount of such Taxes for the period including the Closing Date is not then known, the apportionment of such Taxes shall be made at Closing on the basis of the prior period's Taxes. After Closing, upon receipt of bills for the period including the Closing Date, adjustments to the apportionment shall be made by the Parties, so that if either the Company or the Purchaser paid more than its proper share at the Closing, the other Party shall promptly reimburse such Party for the excess amount paid by them. Subject to the foregoing, the Purchaser shall pay the full amount of such Taxes to the Taxing Authority on or prior to the due date hereof.

(c) The Purchaser and the Sellers agree to furnish or cause to be furnished to each other, upon request and as promptly as practicable, such information and assistance relating to the Business, the Leesona Assets and Assumed Liabilities (including access to books and records) as is reasonably necessary for the filing of all Tax Returns, the making of any election relating to Taxes, the preparation for any audit by any Taxing Authority, and the prosecution or defense of any Action relating to any Tax.

6.5 Intentionally Omitted.

6.6 Access to Books and Records. The Company and the Purchaser shall preserve for a period consistent with the Company's record-retention policies and practices currently in effect all records possessed or to be possessed by such Party relating to any of the assets, Liabilities or business of the Business prior to the Closing. After the Closing Date, where there is a legitimate business purpose, such Party shall provide the other Party with access, upon prior reasonable written request specifying the need therefor, during regular business hours, to (a) the officers and employees of such Party and (b) the books of account and records of such Party, but, in each case, only to the extent relating to the assets, Liabilities or business of the Business prior to the Closing, and the other Party and its representatives shall have the right to make copies of such books and records at their sole cost; provided, however, that the foregoing right of access shall not be exercisable in such a manner as to interfere unreasonably with the normal operations and business of such Party. Such records may nevertheless be destroyed by a Party if such Party sends to the other Party written notice of its intent to destroy records, specifying with reasonable particularity the contents of the records to be destroyed. Such records may then be destroyed after the 30th day after such notice is given unless the other Party objects to the destruction, in which case the Party seeking to destroy the records shall deliver such records to the objecting Party at the objecting party's cost.

6.7 Consents. This Agreement will not constitute an assignment, attempted assignment or agreement to assign any Contract or Permit to the extent that any attempted assignment or agreement to assign such Contract or Permit without the consent of any Person would constitute a breach thereof or would impair the rights of Sellers or the Purchaser thereunder and such consent is not obtained. If any such consent is not obtained prior to or at the Closing, then the Sellers shall use their best efforts to obtain such consent; provided, however, that the Sellers shall not be required to make any payment in order to obtain such consent. Until such consent is obtained, or the Contract or Permit to which such consent relates is novated or terminated, to the extent permissible under such Contract or Permit, the Purchaser will be entitled to receive all of the Sellers' benefits under such Contract or Permit and, to the extent it receives such benefits, will perform all of the obligations of Sellers under such Contract or Permit. The Sellers, at the Purchaser's request, shall do all such acts and things as the Purchaser may reasonably request to enable due performance of such Contract or Permit and to provide the Purchaser the benefits, subject to the obligations, of such Contract or Permit. Without limiting the generality of the foregoing, the Sellers shall provide all reasonable assistance to the Purchaser (at the Purchaser's cost and request) to enable the Purchaser to enforce the rights granted to the Purchaser hereunder in and under each Contract or Permit for which a consent to assignment has not been obtained.

6.8 Mail and Receivables. The Company hereby irrevocably authorizes the Purchaser to receive and open all mail and other communications received by the Purchaser and addressed or directed to the Company and, to the extent relating to the Business (other than that relating to the Excluded Assets and the Excluded Liabilities), the Leesona Assets or the Assumed Liabilities, to act with respect to such communications in such manner as the Purchaser may elect. The Company shall promptly deliver to the Purchaser the original of any mail or other written communication received by the Company that relates to the Business (other than that relating to the Excluded Assets, the Excluded Liabilities and the Reassigned Accounts Receivable), the Leesona Assets or the Assumed Liabilities. The Company hereby irrevocably authorizes the Purchaser after the Closing to endorse, without recourse, the name of the Company on any check or any other evidence of indebtedness received by the Purchaser on account of any of the Leesona Assets or the Business (other than that relating to the Excluded Assets, the Excluded Liabilities and the Reassigned Accounts Receivable). The Company shall promptly remit to the Purchaser any payment relating to the Business (other than that relating to the Excluded Assets, the Excluded Liabilities and the Reassigned Accounts Receivable) or the Leesona Assets (including payments for Accounts Receivable other than Reassigned Accounts Receivable) that the Company receives after the Effective Time.

6.9 Further Assurances; Overlooked Contract Assignments.

(a) The Parties shall execute such documents and other instruments and take such further actions as may be reasonably required or desirable to carry out the provisions of this Agreement and the Ancillary Agreements and to consummate the transactions contemplated hereby and thereby. Upon the terms and subject to the conditions hereof, each of the Parties shall use their reasonable best efforts to take or cause to be taken all actions and to do or cause to be done all other things necessary, proper or advisable to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement and the Ancillary Agreements. If requested by the Company, the Purchaser will provide written confirmation to the other parties to any Assigned Contract of the Purchaser's assumption thereof in the form reasonably agreed to by the Purchaser and the parties to such Assigned Contract.

(b) At any time on or before the six-month anniversary of the Closing Date, the

Purchaser may provide written notice to the Company identifying one or more Excluded Contracts that the Purchaser reasonably determines are Related to the Business and should be assigned to the Purchaser (an "Overlooked Contract"). If the Sellers agree with Purchaser that an Excluded Contract is an Overlooked Contract, then Sellers shall, promptly following receipt of any such notice from the Purchaser, assign to the Purchaser (pursuant to a form of assignment prepared by the Purchaser and reasonably acceptable to the Sellers) any such Overlooked Contract, and any proceeds or rights thereto identified by the Purchaser, with such assignment deemed to be effective as of the Effective Time or such later date as the Purchaser shall specify. From and after the effective time of such assignment of any such Overlooked Contract, such Overlooked Contract shall be deemed not to be an Excluded Contract but rather to be an Assigned Contract and part of the Leesona Assets and Assumed Liabilities.

6.10 Sellers' Representative.

(a) Each Seller irrevocably appoints the Sellers' Representative with power of designation and assignment as his, her or its true and lawful attorney-in-fact and agent with full power of substitution, to act solely and exclusively on behalf of, and in the name of, such Seller with the full power, without the consent of such Seller, to exercise as the Sellers' Representative in his sole discretion deems appropriate, the powers which such Seller could exercise under the provisions of this Agreement or the Ancillary Agreements and to take all actions necessary or appropriate in the judgment of the Sellers' Representative in connection with this Agreement and the Ancillary Agreements which shall include the power and authority to amend, modify or waive any provision of this Agreement or the Ancillary Agreements and to execute, deliver and accept such waivers and consents and any and all notices, documents, certificates, or other papers to be delivered in connection with this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby as the Sellers' Representative, in his sole discretion, may deem necessary or desirable. In any Third Party Defense in which more than one Seller is an Indemnitor, the Sellers' Representative shall act on behalf of all Seller Indemnitors. The Purchaser and any Indemnitee, will be entitled to rely exclusively upon any notices and other acts of the Sellers' Representative as being legally binding acts of each Seller individually and the Sellers collectively. The appointment and power of attorney granted by each Seller to the Sellers' Representative shall be deemed coupled with an interest and all authority conferred hereby shall be irrevocable whether by death or incapacity of any such Seller or the occurrence of any other event or events.

(b) Each Seller acknowledges and agrees that the Sellers' Representative will not be liable to the Sellers for any act done or omitted hereunder as the Sellers' Representative while acting in good faith and in the exercise of reasonable judgment, and any act done or omitted pursuant to the advice of counsel will be conclusive evidence of such good faith. The Sellers will jointly and severally indemnify the Sellers' Representative and hold him harmless against any Losses incurred without gross negligence or bad faith on the part of the Sellers' Representative and arising out of or in connection with the acceptance or administration of his duties under this Agreement and the Ancillary Agreements.

(c) The Sellers will reimburse the Sellers' Representative for their pro-rata share, of any out-of-pocket, independent, third-party fees and expenses (including fees and expenses of counsel, accountants and other advisors) incurred by the Sellers' Representative that arise out of or are in connection with the acceptance or administration of the Sellers' Representative's duties under this Agreement and the Ancillary Agreements.

6.11 Use of Names; Change of Company Name. After the Closing, neither the Sellers, nor any of their respective Affiliates, will use or operate under the name "Leesona Corp.", "Leesona" or any other name that has been used by the Company in connection with the Business or any logo associated therewith, any variation or modification thereof or any confusingly similar trade or assumed name, trade or service mark, logo, copyright, slogan, domain name or URL. Within three (3) Business Days following the Closing Date, the Company will have caused its name to be changed to a name that is not similar to or in any manner subject to confusion with its present name or any other name that has been used by the Company in connection with the Business.

6.12 Litigation Support. If any Party is evaluating, pursuing, contesting or defending against any Action (other than any Action for which a Party is entitled to indemnification under this Agreement) in connection with (a) the transactions contemplated by this Agreement or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction prior to the Closing Date involving any Party hereto, each other Party will cooperate with such Party and such Party's counsel in the evaluation, pursuit, contest or defense, make available its personnel, and provide such testimony and access to its Books and Records as may be reasonably necessary in connection therewith. The evaluating, pursuing, contesting or defending Party will reimburse each other Party for its out-of-pocket expenses related to such cooperation (unless the contesting or defending Party is entitled to indemnification under this Agreement).

6.13 Intentionally Omitted.

6.14 Non-solicitation. Until the date that is five (5) years after the Closing Date, the Company and the Shareholders will not, directly or indirectly (and, for the avoidance of doubt, each Seller shall cause each entity with which it is Affiliated not to), for any reason, for its own benefit, or for the benefit of or together with any other Person, directly or indirectly:

(a) solicit or conspire with, or attempt to solicit or conspire with, any employee, manager, director, consultant, representative or advisor of the Purchaser or its Affiliates, to terminate that Person's engagement or relationship with the Purchaser or its Affiliates, or otherwise employ or engage as an independent contractor any such Person;

(b) solicit or attempt to solicit, any Customers or Suppliers (each as defined below) to terminate their business relationship with the Purchaser or its Affiliates (As used herein, and for purposes of this Section 6.14, "Customers" and "Suppliers" shall be defined as (i) any Person that has been an active customer or supplier, or a targeted prospective customer or supplier, as applicable, of the Company during the two (2) consecutive year period ending on the Closing Date and (ii) any Person that is an active customer or supplier, or a targeted prospective customer or supplier, as applicable, of the Purchaser or its Affiliates at the time of such solicitation or such attempt to solicit.); or

(c) divert or attempt to divert any or all of any Customers' or Suppliers' business from the Purchaser or its Affiliates in violation of any unfair competition Laws or other applicable Laws.

6.15 Noncompetition. Until the date that is five (5) years after the Closing Date, the Company and the Shareholders will not, (and, for the avoidance of doubt, each Seller shall cause each entity with which it is Affiliated not to), for any reason, for its own benefit, or for the benefit of or together with any other Person, engage in directly, or own, operate, control, finance, manage, advise, be employed or engaged by, perform any services for, or invest in (other than holding less than two percent (2%) of the outstanding equity securities of a Person having securities that are listed for trading on a national securities exchange) any business engaged in the Business, or providing management services to Persons engaged in the Business, anywhere in the Prohibited Territory; provided, however, the foregoing prohibition on employment shall not apply to being employed by or engaged as a service provider by the Purchaser or any successor to or Affiliate of the Purchaser.

6.16 Severability; Reformation. The covenants in Section 6.14 and 6.15 are severable and separate, and the unenforceability of any specific covenant in Section 6.14 or 6.15 is not intended by the Parties to, and shall not, affect the provisions of any other covenant in Section 6.14 or 6.15. If any court of competent jurisdiction shall determine that the scope, time, or territorial restrictions set forth in Section 6.14 or 6.15 are unreasonable as applied to any Party, the Parties acknowledge their mutual intention and agreement that those restrictions shall be enforced to the fullest extent the court deems reasonable, and thereby shall be reformed to that extent.

6.17 Material Customer and Other Business Relationships. For the six (6) consecutive month period beginning on the Closing Date, the Company and the Seller shall reasonably cooperate with the Purchaser in its efforts to continue and maintain for the benefit of the Purchaser the business relationships of the Company existing prior to the Closing and relating to the Business, including the Company's relationships with its lessors, employees, independent contractors, regulatory authorities, licensors, customers, suppliers, payors and others, and the Company will attempt to satisfy the Excluded Liabilities in a manner that is not materially detrimental to any of such relationships. Sellers shall not intentionally take any action that would materially diminish the value of the Leesona Assets, the Business or the Purchaser after the Closing or would materially interfere with the Business after the Closing, including disparaging the name or business of the Purchaser to any lessor, employee, independent contractor, regulatory authority, licensor, customer, supplier, payor, or other Person with or through whom Purchaser does or may conduct the Business.

6.18 Independent Covenant. All of the covenants in Section 6.14 and 6.15 are intended by each Party to be, and shall be construed as, an agreement independent of any other provision in this Agreement, and the existence of any claim or cause of action of any Seller against the Purchaser or its Affiliates, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Purchaser of any covenant in Section 6.14 or 6.15. It is specifically agreed that, with respect to each Seller, the periods specified in Section 6.14 and 6.15 shall be computed by excluding from that computation any time during which such Seller is in violation (as determined by a court of competent jurisdiction) of any provision of such Section 6.14 or 6.15.

6.19 Materiality. The Purchaser and the Sellers hereby agree that Sections 6.14 and 6.15 are a material and substantial part of this Agreement, and absent the Sellers entering the restrictions of Sections 6.14 and 6.15, the Purchaser would not have entered into this Agreement and consummated the transactions contemplated hereby.

6.20 Successor Employer Covenant. Except as provide in this Agreement, the Company shall not commit any act or omission which would directly or indirectly give rise to any Liability or other obligation on the part of the Purchaser or any of its Affiliates (or any group health plan relating to the Purchaser or any of its Affiliates) as or in relation to a "successor employer" (i) under Code Section 4980B or Sections 601-608 of ERISA or other applicable Law in connection with the transactions contemplated by this Agreement or any group health plan relating to the Company or (ii) in connection with any Benefit Plan.

6.21 Intentionally Omitted.

6.22 Transfer of Sponsorship of Specified Benefit Plans.

(a) As of the Effective Time, the Company shall amend, or cause the amendment of, all Benefit Plans described in Schedule 6.22(a) of the Purchaser Disclosure Schedule (the "Specified Benefit Plans") such that Purchaser shall be the sole and exclusive sponsor, employer or policyholder, as may be applicable, under each Specified Benefit Plan.

(b) The Company shall take such action as may be reasonably necessary or appropriate to cause agreements and other arrangements with third parties (including, without limitation, third party administrators, insurers, consultants and CPAs) relating to the administration, sponsorship or conduct of each Specified Benefit Plan to be assigned and transferred to Purchaser.

(c) As of the Effective Time, there shall be no unpaid Liability or other obligation (including, without limitation, Liability for contributions, premiums, payment of fees or otherwise) in connection with any Specified Benefit Plan, or any agreement or arrangement described in Section 6.22(b).

(d) The Purchaser shall be responsible for any Liability, and the Company shall have no Liability, in respect of the Specified Benefit Plans to the extent arising from the sponsorship of the Plans or the operation or administration of same by the Purchaser after the Effective Time (and for the avoidance of doubt, excluding any and all Liabilities resulting from or related to a breach of any Specified Benefit Plan by the Company prior to the Effective Time or any other act or omission of the Company occurring prior to the Effective Time).

(e) The Company shall timely provide any notice required on or prior to the Effective Time according to the terms of and as may be required by each Specified Benefit Plan, applicable Law or otherwise, and take such other action in connection with each Specified Benefit Plan, and agreement or arrangement described in Section 6.22(b), as may be reasonably necessary or appropriate in connection with the requirements of this Section 6.22.

ARTICLE VII

INDEMNIFICATION

7.1 Indemnification by the Sellers. Subject to the limitations set forth herein, following the Closing the Sellers, jointly and severally, shall indemnify and defend the Purchaser Indemnitees against, and shall hold the Purchaser Indemnitees harmless from, any loss, liability, claim, demand, Order, penalty, fine, settlement payment, Liability, Tax, encumbrance, charge, action, suit, proceeding, damage or expense (including any reasonable attorneys' fees and expenses), whether or not involving a third-party claim (collectively, "Losses") incurred by the Purchaser Indemnitees resulting from, arising out of or that may be payable by virtue of:

(a) any breach of any representation and warranty made by any Seller contained in this Agreement or in any Ancillary Agreement (other than the Employment Agreements);

(b) any breach of, or failure of any Seller to perform, any covenant or agreement or obligation of any Seller contained in this Agreement or in any Ancillary Agreement (other than the Employment Agreements);

(c) any Excluded Assets or Excluded Liabilities; or

(d) any claim of a third party to any rights in the Leesona Assets which arises out of the transfer of the Leesona Assets by the Company to the Purchaser.

7.2 Indemnification by the Purchaser. Subject to the limitations set forth herein, following the Closing the Purchaser shall indemnify and defend the Seller Indemnitees against, and shall hold Seller Indemnitees harmless from, any Losses incurred by the Seller Indemnitees resulting from, arising out of or that may be payable by virtue of:

(a) any breach of any representation and warranty of the Purchaser contained in this Agreement or in any Ancillary Agreement (other than the Employment Agreements);

(b) any breach of, or failure of the Purchaser to perform, any covenant or agreement of the Purchaser contained in this Agreement or in any Ancillary Agreement (other than the Employment Agreements);

(c) Purchaser's ownership, operation and use of the Business or the Leesona Assets from after the Closing; or

(d) any Assumed Liability.

7.3 Survival and Limitations. All representations, warranties, covenants and agreements contained in this Agreement shall survive the Closing, provided that upon the eighteen (18) month anniversary of the Closing Date, such representations and warranties that are not Fundamental Representations or Special Representations shall expire and terminate and shall be of no further force or effect, provided that:

(a) the right to indemnification pursuant to this Article VII by any party will not be affected by (i) any knowledge acquired (or capable of being acquired) at any time with respect to the accuracy or inaccuracy of any representation, warranty, covenant or agreement contained herein, or (ii) the waiver of any condition based upon the accuracy of any representation or warranty, or on the performance of or compliance with any covenant or obligation, will not affect the right to indemnification based on such representations, warranties, covenants and obligations;

(b) all covenants and agreements in this Agreement shall survive until the date set forth for expiration of such covenant (if an expiration date is specifically so stated) or otherwise until fully satisfied;

(c) the representations set out in Section 4.1 (Organization and Good Standing), Section 4.2 (Authority and Enforceability), Section 4.3 (Noncontravention) and Section 5.1 (Binding and Enforceable Agreement) (the "Fundamental Representations") shall survive without any time limitations;

(d) the representations set out in Section 4.8 (Taxes), Section 4.9 (Compliance with Law), Section 4.11(a) (Title to Personal Properties), Section 4.16 (Employee Benefits) and Section 5.5 (Solvency) (the "Special Representations") shall survive until the thirtieth (30th) day after the date on which the applicable statute of limitations expires (including extensions);

(e) notwithstanding anything to the contrary in this Agreement, in the absence of fraud or intentional misrepresentation, no Indemnitor shall be obligated to provide indemnification to any Indemnitee pursuant to this Article VII unless a Claim Notice is delivered pursuant to this Article VII (on or before the applicable expiration date set forth in Section 7.4(a), if an expiration date applies), in which case the right to indemnification will continue to survive until the claim specified in such Claim Notice has been satisfied or otherwise resolved as provided in this Article VII;

(f) notwithstanding anything to the contrary contained in this Agreement, in the absence of fraud or intentional misrepresentation, no Indemnitor shall have any liability to any Purchaser Indemnitee with respect to any claim for indemnification pursuant to Section 7.1(a), unless and until such Purchaser Indemnitee's aggregate Losses in respect of all such claims under this Agreement exceed $75,000 (the "Basket") after which time the Indemnitor shall only be liable for all such Losses that exceed the Basket; provided that the Basket shall not apply to claims related to the Fundamental Representations or Special Representations;

(g) notwithstanding anything to the contrary contained in this Agreement, in the absence of fraud or intentional misrepresentation, the aggregate amount of all Losses for which the Purchaser Indemnitees shall be entitled to indemnification pursuant to Section 7.1(a) shall not exceed fifty percent (50%) of the Purchase Price (the "Cap"); provided that the Cap shall not apply to claims related to Fundamental Representations;

(h) for purposes of determining whether there has been inaccuracy in or a breach of any representation, warranty, covenant, obligation or agreement and/or the amount of Losses that are the subject matter of a claim for indemnification or reimbursement hereunder, each representation and warranty in this Agreement and Schedules and exhibits hereto shall be read without regard and without giving effect to the terms "material" or "Material Adverse Effect" or similar phrases contained in such representation or warranty (as if such words or phrases were deleted from such representation and warranty);

(i) if and to the extent that an Indemnitor determines that the Indemnitor's insurance policies cover a claim which is subject to indemnification hereunder (a "Claim"), the Indemnitor and the Indemnitee shall use reasonable efforts to seek recovery under such insurance policies; provided that an Indemnitee shall not be obligated to seek or obtain any recovery from any third party (including an insurer) prior to seeking indemnification from the Indemnitor (If and to the extent insurance proceeds are received by a Purchaser Indemnitee with respect to a Claim previously indemnified by a Seller under this Agreement, the net amount of such recovery that remains after reimbursing the Purchaser Indemnitee for its Losses shall be applied (i) first, to any increases (or future increases) in insurance premiums for the Purchaser Indemnitees arising from such insurance claims and (ii) second, any excess to Purchaser.);

(j) if and to the extent insurance proceeds are received by any Seller Indemnitee with respect to a Claim previously indemnified by Purchaser under this Agreement, the net amount of such recovery that remains after reimbursing the Seller Indemnitee for its Claim shall be applied (i) first, to any increases (or future increases) in insurance premiums for such Seller Indemnitee arising from such insurance claims, (ii) second, to refund to Purchaser any payments made, directly or indirectly, by Purchaser and (iii) third, any excess to such Seller Indemnitee; and

(k) no Party shall be liable to any Indemnitee under this Article VII for any punitive or exemplary damages or claims for diminution in value or lost profits; *provided*, however, that the foregoing shall not be construed to preclude recovery by an Indemnitee with respect to such Losses paid to a third party in accordance with this Article VII in respect of a Third Party Claim.

7.4 Indemnification Procedures for Third Party Claims.

(a) In the event that any claim or demand for which an Indemnitor may be liable to an Indemnitee hereunder is asserted by a third party (a "Third Party Claim"), the Indemnitee shall provide written notice to the Indemnitor of such Third Party Claim (a "Claim Notice", which term applies to a written notice of a Third Party Claim or to written notice of a claim not involving a third party). The Indemnitee shall enclose with the Claim Notice a copy of all papers served with respect to such Third Party Claim and any other documents evidencing such Third Party Claim. Any failure to notify the Indemnitor or deliver copies will not relieve the Indemnitor from any obligation hereunder unless (and solely to the extent) the Indemnitor is prejudiced by such failure.

(b) The Indemnitor will have twenty (20) days from the date on which the Indemnitor received the Claim Notice to notify the Indemnitee that the Indemnitor has elected to assume the defense or prosecution of such Third Party Claim and any litigation resulting therefrom with counsel of its choice, which counsel shall be reasonably satisfactory to the Indemnitee, and at its sole cost and expense (a "Third Party Defense"); provided, however, that the Indemnitor may assume the defense of the Third Party Claim only so long as: (i) the Indemnitor is not a party to the proceeding or the Indemnitee has determined in good faith that there would be no conflict of interest or other inappropriate matter associated with joint representation; (ii) the Third Party Defense does not involve, and is not likely to involve, a claim by any Governmental Entity; (iii) settlement of, or an adverse judgment with respect to, the Third Party Claim is not, in the good faith judgment of the Indemnitee, likely to establish a precedential custom or practice adverse to the continuing business interests of the Indemnitee or result in any injunction applicable to the Indemnitee, (iv) the Indemnitor conducts the Third Party Defense actively and diligently, and (v) the Indemnitor keeps the Indemnitee apprised of all developments, including settlement offers, with respect to the Third Party Claim and permits the Indemnitee to participate, at its sole cost and expense, in the defense of the Third Party Claim. The Parties will act in good faith in responding to, defending against, settling or otherwise dealing with such claims, and cooperate in any such defense and give each other reasonable access to and copies of all information, records and documents, relevant thereto. So long as the Indemnitor has assumed the defense of the Third Party Claim in accordance with the requirements set forth in this subsection, (i) the Indemnitor will not be responsible for any attorneys' fees incurred by the Indemnitee regarding the Third Party Claim (other than attorneys' fees incurred prior to the Indemnitor's assumption of the defense of the Third Party Claim) and (ii) neither the Indemnitor or the Indemnitee will consent to entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the other party, which consent will not be withheld, delayed or conditioned unreasonably.

(c) If any condition in Section 7.4(b) is or becomes unsatisfied, (i) the Indemnitee may defend against the Third Party Claim in any manner it may deem appropriate, provided, that, the Indemnitee may not consent to the entry of any judgment or enter into any settlement with respect to such Third Party Claim unless the Indemnitee obtains the consent of the Indemnitor (which shall not be unreasonably withheld, conditioned or delayed) in connection herewith, and (ii) the Indemnitor will reimburse the Indemnitee promptly and periodically (but not less often than monthly) for the costs of defending the Third Party Claim, including reasonably attorneys' fees and expenses, and (iii) the Indemnitor will remain responsible for any Losses the Indemnitee may incur relating to or arising out of the Third Party Claim to the fullest extent provided in this Article VII.

7.5 Indemnification Procedures for Non-Third Party Claims. The Indemnitee will provide a Claim Notice to the Indemnitor promptly following its discovery of any matter for which the Indemnitor may be liable hereunder that does not involve a Third Party Claim, which Claim Notice shall (i) state that the Indemnitee has paid or properly accrued Losses or anticipates that it will incur Liability for Losses for which the Indemnitee is entitled to indemnification pursuant hereto, and (ii) specify in reasonable detail each individual item of Loss (or estimated Loss) included in the amount so stated, the basis for any anticipated liability and the representation, warranty, covenant or agreement contained herein to which each such item is related and the computation of the amount to which such Indemnitee claims to be entitled hereunder. If the Indemnitor does not object in writing to its obligation to indemnify the Indemnitee with respect to such Losses within thirty (30) days after its receipt of the Claim Notice, the Indemnitor will be deemed to have accepted responsibility for such claim. In the event the Indemnitee receives a notice of objection to the c Claim within such thirty (30) day period, the Indemnitee and the Indemnitor shall negotiate in good faith for a period of thirty (30) Business Days from the date the Indemnitee receives such objection (such period, or such longer period as agreed in writing by the parties, is hereinafter referred to as the "Negotiation Period"). If the Negotiation Period has not resulted in a resolution of the claim that is the subject of the Claim Notice prior to the expiration thereof, the Indemnitor or the Indemnitee may submit the dispute for resolution to a court of competent jurisdiction in accordance with Sections 8.5 and 8.6, and each will be free to pursue such remedies as may be available to them on the terms and subject to the provisions of this Agreement.

7.6 Exclusive Remedy. The Parties acknowledge and agree that, except for the right to specific performance and claims related to fraud or intentional misrepresentation, and expect as provided in Section 2.6, following the Closing the indemnification provisions of Section 7.1 and Section 7.2 shall be the sole and exclusive remedies of the Parties and any Indemnitees with respect to any matter arising under this Agreement or any of the Ancillary Agreements following the Closing (provided that any matters arising under the Employment Agreements shall not be deemed to be a matter arising under this Agreement or any of the Ancillary Agreements).

7.7 Treatment of Indemnity Benefits. All payments made by the Sellers or the Purchaser pursuant to obligations under this Agreement shall be treated as adjustments to the Purchase Price for Tax purposes unless otherwise required by applicable Law.

7.8 Manner of Payment. Any finally determined indemnification obligations of the Sellers provided for in this Agreement shall be satisfied by the Sellers within ten (10) Business Days of the final determination via wire transfer of immediately available funds to the account(s) designated by the Purchaser Indemnitees entitled thereto.

ARTICLE VIII

MISCELLANEOUS

8.1 Notices. Any notice, request, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given (a) on the date established by the sender as having been delivered personally, (b) on the date delivered by a private courier as established by the sender by evidence obtained from the courier, (c) if delivered by email, on the date indicated by the confirmation of receipt received by the sender, or, if no such confirmation of receipt is received by the sender, then the date that the recipient actually receives the email (email that is received by a so called "spam filter" or similar filter shall not be deemed received unless and until the recipient actually views the email in such filter or such email is delivered to the intended email address), or (d) on the fifth day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications, to be valid, must be addressed as follows:

If to the Purchaser, to:	LC Acquisition, Inc. 1776 North Pine Island Road, Suite #314 Plantation, FL 33322 Attn: Sanjay Gupta Email: sanjayg@sanjayguptacpa.com
With a copy to:	Mr. Amit Lohia Chief Financial Officer Lohia Corp Limited Email: amit.lohia@lohiagroup.com and Niraj Kumar DSK Legal Advocates & Solicitors ESC House, 155, 1st & 2nd Floor Okhla Industrial Estate Phase 3 New Delhi-110020 Email: Niraj.Kumar@dsklegal.com
If to Sellers, to:	Mr. Robert C. Clark 2815 Country Club Road Winston-Salem, NC 27104 Email: ________________
With a copy to:	Bell, Davis & Pitt, P.A. 100 North Cherry Street, Suite 600 Winston-Salem, NC 27101 Attn: Galen G. Craun, III Email: gcraun@belldavispitt.com

or to such other address or to the attention of such Person or Persons as the recipient Party has specified by prior written notice to the sending Party (or in the case of counsel, to such other readily ascertainable business address as such counsel may hereafter maintain). If more than one method for sending notice as set forth above is used, the earliest notice date established as set forth above shall control.

8.2 Amendments and Waivers. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective. No failure or delay by any Party in exercising any right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

8.3 Expenses. Except as expressly set forth herein, each Party shall bear its own costs and expenses in connection with this Agreement, the Ancillary Agreements and the transactions contemplated hereby and thereby, including all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties, whether or not the transactions contemplated by this Agreement are consummated.

8.4 Successors and Assigns. This Agreement may not be assigned by any Party without the prior written consent of all of the other Parties; provided, however, that the Purchaser may assign any or all of its rights or interests, or delegate any or all of its obligations (so long as the Purchaser remains liable for all of its obligations under this Agreement, which the Parties acknowledge shall occur as a matter of law if Purchaser merges with and into another Person), in this Agreement and the Ancillary Agreements to (a) any successor to the Purchaser or any acquirer of a material portion of the business or assets of the Purchaser, (b) one or more of the Purchaser's Affiliates, or (c) any lender to the Purchaser or its Affiliates as security for obligations to such lender. Subject to the foregoing, all of the terms and provisions of this Agreement shall inure to the benefit of and be binding upon the Parties and their respective executors, heirs, personal representatives, successors and permitted assigns.

8.5 Governing Law. This Agreement shall be governed by and interpreted and enforced in accordance with the Laws of the State of North Carolina, without giving effect to any choice of Law or conflict of Laws rules or provisions (whether of the State of North Carolina or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of North Carolina.

8.6 Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial.

(a) The sole forum for resolving disputes arising under or relating to this Agreement shall be the state and Federal courts located in the State of North Carolina, and all related appellate courts, and the Parties hereby consent to the jurisdiction of such courts and agree that venue shall be in the State of North Carolina. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable Law, any objection which they may now or hereafter have to the laying of venue of any such dispute brought in any such courts or any defense of inconvenient forum for the maintenance of such dispute. Each of the Parties agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(b) Each of the Parties hereby consents to process being served by any Party in any suit, action, or proceeding by delivery of a copy thereof in accordance with the provisions of Section 8.1.

(c) THE PARTIES EACH HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT; OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE PARTIES EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

8.7 Counterparts. This Agreement may be executed in one or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, email, or other electronic transmission shall be effective as delivery of a manually executed counterpart to this Agreement.

8.8 No Third Party Beneficiaries. The terms and provisions of this Agreement and the Ancillary Agreements are intended solely for the benefit of the Parties and their respective successors and permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights, and this Agreement does not confer any such rights, upon any other Person (except that Article VII may provide certain benefits to Purchaser Indemnitees and Seller Indemnitees that are not Parties, which benefits can only be enforced by the Purchaser and the Sellers, respectively, on behalf of the Purchaser Indemnitees and Seller Indemnitees; and, for the avoidance of doubt, provided that (a) this Agreement and any Ancillary Agreement may be amended in any respect without the consent of any Indemnitee who is not a Party or a successor or permitted assignee of a Party and (b) any Claim pursuant to this Agreement may be brought, settled or compromised without the consent of any Indemnitee who is not a Party or a successor or permitted assignee of a Party).

8.9 Entire Agreement. This Agreement, the Ancillary Agreements, the Schedules and the other documents, instruments and agreements specifically referred to herein or therein or delivered pursuant hereto or thereto set forth the entire understanding of the Parties with respect to the transactions contemplated hereby and thereby.

8.10 Captions. All captions contained in this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

8.11 Severability. Whenever possible, each provision, term, clause and phrase of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law. Any provision, term, clause or phrase of this Agreement which is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions, terms, clauses and phrases hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision, terms, clause or phrase in any other jurisdiction.

8.12 Specific Performance. Each Party agrees that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed by it in accordance with the terms hereof, and that each Party shall be entitled to specific performance of the terms hereof in addition to any other remedy available at Law or in equity.

8.13 Interpretation.

(a) Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

(i) Calculation of Time Period. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

(ii) Exhibits/Schedules. The Exhibits and Schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Agreement. Any matter set forth on any of the Schedules hereto shall be deemed set forth in all other Schedules to the extent there is a specific cross-reference or to the extent the relevance of such matter to another Schedule is readily apparent from the face of the disclosure. The information contained in this Agreement, the Schedules and Exhibits is disclosed solely for purposes of this Agreement, and no information contained herein or therein shall be deemed to be an admission by any Party to any third party of any matter whatsoever (including any violation of applicable Law or breach of contract).

(iii) Gender and Number. Any reference in this Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

(iv) Headings. The provision of a Table of Contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

(v) Herein. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

(vi) Including. The word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(vii) Reflected On or Set Forth In. An item arising with respect to a specific representation, or warranty or other provision of this Agreement shall be deemed to be "reflected on" or "set forth in" a balance sheet or financial statements, to the extent any such phrase appears in such provision, if (a) there is a reserve, accrual or other similar item underlying a number on such referenced balance sheet or financial statements that related to the subject matter of such representation, (b) such item is otherwise specifically set forth on the referenced balance sheet or financial statements or (c) such item is reflected on the referenced balance sheet or financial statements and is specifically set forth in the notes thereto.

(b) The Parties have participated jointly in the negotiation and drafting of this Agreement and the Ancillary Agreements and, in the event that an ambiguity or question of intent or interpretation arises, this Agreement and the Ancillary Agreements shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement or any Ancillary Agreement. Information contained in any section or subsection of the Company Disclosure Schedule shall be deemed to be contained in any other section or subsection of the Company Disclosure Schedule if it is reasonably apparent that such information is relevant to such other Schedule. In the event of any conflict between the terms of this Agreement and the terms of any Ancillary Agreement, the terms of this Agreement shall govern.

[Signature Page Follows]

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

PURCHASER:

LC ACQUISITION, INC.

By: Sgnte
Name: SANJAY GUPTA
Title: PRESIDENT

SELLERS:

LEESONA CORP

By: ____________________
Robert C. Clark, President

____
ROBERT C. CLARK

____
DEBORAH R. CLARK

[Asset Purchase Agreement Signature Page]

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

PURCHASER:

LC ACQUISITION, INC.

By: ____________________
Name: ____________________
Title: ____________________

SELLERS:

LEESONA CORP

By: Robert C Clark
Robert C. Clark, President

Robert C Clark
ROBERT C. CLARK

Deborah R Clark
DEBORAH R. CLARK

[Asset Purchase Agreement Signature Page]