Exhibit A

(Bid Procedures Order)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	)	Chapter 11
	)	
HARTFORD COMPUTER HARDWARE, INC., *et al.*,[1]	)	Case No. 11-49744 (PSH)
	)	(Joint Administration Pending)
	)	
Debtors.	)	Hon. Pamela S. Hollis

ORDER (I) APPROVING BIDDING PROCEDURES, (II) GRANTING CERTAIN BID PROTECTIONS, (III) APPROVING FORM AND MANNER OF SALE NOTICES, AND (IV) SETTING SALE HEARING DATE IN CONNECTION WITH SALE OF SUBSTANTIALLY ALL OF DEBTORS' ASSETS

This matter coming before the Court on the *DEBTORS' MOTION PURSUANT TO 11 U.S.C. §§ 105(a), 363, 365 AND FED. R. BANKR. P. 2002, 6004, 6006 FOR (I) ENTRY OF AN ORDER (A) APPROVING BIDDING PROCEDURES; (B) GRANTING CERTAIN BID PROTECTIONS; (C) APPROVING FORM AND MANNER OF SALE NOTICES; (D) SETTING SALE HEARING DATE IN CONNECTION WITH SALE OF SUBSTANTIALLY ALL OF DEBTORS' ASSETS; AND (II) ENTRY OF AN ORDER (A) APPROVING THE SALE OF DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS; (B) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (C) THE ASSUMPTION OF CERTAIN LIABILITIES; AND (D) GRANTING CERTAIN RELATED RELIEF* (the "Motion")[2]; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this

[1] The Debtors are Hartford Computer Hardware, Inc. (FEIN 27-4297525), Nexicore Services, LLC (FEIN 03-0489686), Hartford Computer Group, Inc. (FEIN 36-2973523), and Hartford Computer Government, Inc (FEIN 20-0845960).

[2] Capitalized terms not defined herein shall have the meaning given to them in the Motion.

is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.

2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.

3. Notice of the Motion was proper, timely, adequate and sufficient under Bankruptcy Rules 2002, 6004, and 6006 and the particular circumstances.

4. The Break-Up Fee is appropriate in nature and amount and is approved—insofar as it is an integral part of, and a condition to, the sale process proposed in the Motion, which is designed to maximize the value of the Acquired Assets and is in the best interests of the estates.

5. The Bid Procedures proposed in the Motion and set forth on **Exhibit 1** to this order are appropriate and in the best interests of the estates and their creditors.

6. The Sale Hearing will be held on February 17, 2012 at ____ a.m./p.m. If the Debtors do not receive any Qualified Bids other than the Purchaser's bid, the Debtors need not conduct the Auction and may recommend the approval of the Purchaser as the approved purchaser of the Assets at the Sale Hearing. If the Debtors do receive one or more Qualifying Bids, the Debtors shall conduct an Auction consistent with the Bid Procedures, which are hereby approved. At the Sale Hearing, the Debtors shall provide a report of the Auction and which Qualifying Bid has been selected as the highest and best and will serve as the Successful Bid. The Court will not use the Sale Hearing to conduct any competitive bidding for the Acquired

Assets or consider any bids not submitted at the Auction or submitted in accordance with the Bid Procedures approved in this order.

7. No later than February 1, 2012, the Debtors shall file with the Court and serve on all non-Debtor parties to the Assumed Contracts the Assumption Cure Notice. The non-Debtor party to an Assumed Contract shall have seven days from the service of the Assumption and Cure Notice to object to the proposed assumption and assignment to the Purchaser and shall state in its objection, with specificity, the legal and factual basis of its objection.

8. If no objection is timely received, the non-Debtor party to the Assumed Contract shall be forever barred from asserting any objection with regard to the assumption and assignment of the Assumed Contract to the Purchaser.

9. Each non-Debtor party to the Assumed Contracts shall have seven days from the date of the Assumption and Cure Notice to object to the Cure Amount and must state in its objection with specificity what Cure Amount is required (with appropriate documentation in support thereof). If no objection is timely received, the Cure Amount set forth in the Assumption and Cure Notice shall be controlling, notwithstanding anything to the contrary in any Assumed Contract, or any other document, and the non-Debtor party to the Assumed Contract shall be deemed to have consented to the Cure Amount and shall be forever barred from asserting any other claims as to such Assumed Contract against the Debtors, the Purchaser, or the Successful Bidder, or the property of any of them.

10. If an objection to the Cure Amount is timely filed and received and the parties are unable to consensually resolve the dispute, the amount to be paid under section 365 of the Bankruptcy Code, if any, with respect to such objection will be determined at a hearing to be requested by the Debtors or by the objecting counterparty. At the Purchaser's or the Successful

Bidder's discretion, and provided the Purchaser or the Successful Bidder escrow the disputed portion of the Cure Amount, the hearing regarding the Cure Amount may be continued until after the closing date of the Sale and the Assumed Contract(s) subjected to such Cure Amount shall be assumed and assigned to the Purchaser or the Successful Bidder at closing of the Sale.

11. Any objections to the relief requested in the Motion must: (a) be in writing; (b) conform to the requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of the United States Bankruptcy Court for the Northern District of Illinois; (c) set forth the name of the objector and the nature and amount of any claims against or interests in the Debtors; (d) state with particularity the legal and factual bases for the objection; and (e) be filed and served so that it is *received* no later than 5:00 p.m. Central Time on February 10, 2012 by counsel for the Debtors.

12. No later than five business day from its receipt of this order as entered by the Court, the Debtors must provide copies of the Motion the Sale Notice and this Order via first-class mail to the Office of the U.S. Trustee, all holders of any lien on or interest in any of the Assets, all non-debtor parties to the Assumed Contracts and , and all known creditors and equity holders of record. Such notice is adequate under the circumstances for purposes of any eventual approval of the Sale Motion.

13. The Debtors must publish notice of the Sale Motion, with a summary of the relief requested and the objection deadline, at least once in the *Wall Street Journal* no later than 30 days before the objection deadline.

14. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

15. This Court shall retain jurisdiction to interpret and enforce this Order.

Dated: _____, 2011

UNITED STATES BANKRUPTCY JUDGE

60933929

Exhibit 1

(Bid Procedures)

BID PROCEDURES

Capitalized terms used but not defined herein retain the meanings given to them in the Sale Motion. The sale of the Assets is subject to competitive bidding as set forth below and approval by the United States Bankruptcy Court for the Northern District of Illinois under Bankruptcy Code § 363 and Bankruptcy Rule 6004.

A. Solicitation of Competing Bids. The Debtors, through their officers, agents, and professionals, may solicit, negotiate, and otherwise discuss with any entity the submission of a competing bid for the Acquired Assets (a "Competing Bid" by a "Competing Bidder") or any similar transaction involving the assets to be sold and the contracts to be assumed and assigned to the Purchaser hereunder, but:

i. The Debtors must provide to the Purchaser a complete copy of any Qualified Bid (defined below) received (redacting only any confidential information contained in it) within two business days of receiving it; and

ii. Any Competing Bid must conform to the requirements for a Qualified Bid set forth below.

B. Submission of Competing Bids. All Competing Bids must be submitted on or before 5:00 p.m. prevailing Chicago time on or before February 13, 2012, to: (i) Hartford Computer Group, Inc., c/o Paragon Capital Partners, LLC, 450 Park Avenue, Suite 2500, New York, New York 10022 (Attn: Michael Levy), mlevy@paragoncp.com, (ii) counsel to the Debtors, Katten Muchin Rosenman LLP, 525 W. Monroe Street, Suite 1900, Chicago, Illinois 60662 (Attn: John P. Sieger) john.sieger@kattenlaw.com, (iii) counsel for Delaware Street Capital Master Fund, L.P., Jenner & Block LLP, 353 N. Clark Street, Chicago, IL 60654 (Attn: Michael S. Terrien) mterrien@jenner.com, (iv) counsel for the official committee of unsecured creditors, if any, (v) counsel for the Purchaser, Squire Sanders & Dempsey (US) LLP, 1 E. Washington St., Suite 2700, Phoenix, Arizona 85004 (Attn: Jordan A. Kroop) jordan.kroop@ssd.com, and (vi) the Office of the United States Trustee for the Northern District of Illinois, 219 South Dearborn, Room 873, Chicago, Illinois 60604 (Attn: Denise DeLaurent).

C. Qualification of Competing Bids. Only Competing Bids that meet all the following requirements are "Qualified Bids" eligible to be considered at the Auction (defined below):

The Competing Bid must be in writing and include a markup of the Agreement showing the changes to the Agreement the Competing Bidder requires;

1. The Competing Bid must provide consideration in an amount no less than the total of the Purchase Price set forth in the Agreement plus the Break-Up Fee of $1,775,000, plus a minimum overbid increment of $100,000 (collectively, a "Minimum Overbid");

2. The Competing Bid must be accompanied by a good faith, refundable deposit of no less than 10% of the Purchase Price, plus additional indicia of ability to immediately close the transactions contemplated by the Competing Bid, including adequate assurance of future performance of

any executory contract or unexpired lease that would be assumed and assigned to the Competing Bidder under the Competing Bid, with the Debtors reserving the right, in their sole reasonable discretion as informed by their professionals, to determine the sufficiency of such indicia;

3. The Competing Bid must be on terms more favorable and not more burdensome or conditional in any material respect than that contemplated by the Agreement in respect of, among other things, price, conditions on closing, third-party consents, and regulatory approvals, as determined by Debtors in their sole, reasonable discretion as informed by their professionals; and

4. The Competing Bidder must submit to the Debtors, by the close of the Auction (defined below), an instrument of irrevocable commitment to the terms of the Competing Bid.

D. Auction. One business day prior to the Sale Hearing, the Debtors will conduct a session of bidding (the "Auction") among the Buyer and all Competing Bidders submitting a Qualified Bid (each a "Qualified Bidder") to determine the highest and best bid for the Assets. The Buyer and all Qualified Bidders may increase their bids as many times as they wish during the Auction, with the Buyer receiving cash credit for the Break-Up Fee on all subsequent bids. All bids must exceed the previous bid by no less than $100,000 in total compensation. At the close of all bidding, the Debtors will announce the highest and best bid and will retain a record of each Qualified Bidders' final bid for purposes of the Bankruptcy Court's solicitation of and approval of any "backup bid" at the Sale Hearing, the holder of which would be entitled to close a purchase of the Assets if the highest and best bid determined at the Auction does not close in accordance with the Sale Order.

Exhibit 2

(Sale Notice)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS

In re:	)	Chapter 11
	)	
HARTFORD COMPUTER HARDWARE, INC., *et al.*,[1]	)	Case No. 11-49744 (PSH)
	)	(Joint Administration Pending)
	)	
Debtors.	)	Hon. Pamela S. Hollis

NOTICE OF SALE OF CERTAIN ASSETS AT AUCTION

PLEASE TAKE NOTICE THAT:

1. Pursuant to the Order (I) Approving Bidding Procedures (II) Granting Certain Bid Protections, (III) Approving Form And Manner Of Sale Notices, And (IV) Setting Sale Hearing Date In Connection With Sale Of Substantially All Of Debtors' Assets (the "Bidding Procedures Order") entered by the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court") on December __, 2011, Hartford Computer Hardware, Inc., Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc. (the "Debtors"), have entered into an Asset Purchase Agreement (the "Agreement") with Avnet, Inc. and Avnet International (Canada) Ltd. (together, the "Purchaser") for the sale of substantially all of the Debtors' assets subject to a competitive bidding process as set forth in the Bidding Procedures Order. Capitalized terms used but not otherwise defined in this notice have the meanings ascribed to them in the Bidding Procedures Order or the Agreement.

2. Copies of (i) the Motion, (ii) the Agreement, (iii) the proposed Sale Approval Order, (iv) the Bidding Procedures, and (v) the Bidding Procedures Order can be obtained on the website of the Debtors claims and noticing agent, Kurtzman Carson Consultants LLC at www.kccllc.net/Hartford.

3. All interested parties are invited to make an offer to purchase the Acquired Assets in accordance with the terms and conditions approved by the Bankruptcy Court (the "Bidding Procedures") by **5:00 p.m.** (prevailing Chicago time) on **February 13, 2012**. Pursuant to the Bidding Procedures, the Debtors may conduct an auction for the Acquired Assets (the "Auction") beginning at **10:00 a.m.** (prevailing Chicago time) on **February 16, 2012**, at the offices of Katten Muchin Rosenman LLP, 525 West Monroe Street, Suite 1900, Chicago, Illinois 60661 or such later time or other place as the Debtors notify all Qualified Bidders who have submitted Qualified Bids.

4. Participation at the Auction is subject to the Bidding Procedures and the Bidding Procedures Order.

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[1] The Debtors are Hartford Computer Hardware, Inc. (FEIN 27-4297525), Nexicore Services, LLC (FEIN 03-0489686), Hartford Computer Group, Inc. (FEIN 36-2973523), and Hartford Computer Government, Inc. (FEIN 20-0845960).

5. A hearing to approve the Sale of the Acquired Assets to the highest and best bidder will be held on **February 17, 2012** at _____. (prevailing Chicago time) at the Bankruptcy Court. The hearing on the Sale may be adjourned without notice other than an adjournment in open court.

6. Objections, if any, to the proposed Sale must be filed and served in accordance with the Bidding Procedures Order, and **actually received** no later than **4:00 p.m.** (prevailing Chicago time) on **February 10, 2012**.

7. This notice is qualified in its entirety by the Bidding Procedures Order.

Dated: _____, 2011

Respectfully submitted,

By: /s/ John P. Sieger

John P. Sieger (ARDC No. 6240033)
Peter J. Siddiqui (ARDC No. 6278445)
Paige E. Barr (ARDC No. 6282474)
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Proposed Counsel to the Debtors and Debtors in Possession

EXHIBIT A

EXECUTION VERSION

CONFIDENTIAL

ASSET PURCHASE AGREEMENT

between

AVNET, INC.,

AVNET INTERNATIONAL (CANADA) LTD.,

HARTFORD COMPUTER GROUP, INC.

and

NEXICORE SERVICES, LLC

Dated as of

December 12, 2011

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EXHIBITS

A. Example of Working Capital Statement

B. Escrow Agreement

C. License Agreement

D. Canadian Tax Escrow Agreement

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is entered into as of December 12, 2011, by and between Avnet, Inc., a New York corporation ("US Buyer"), Avnet International (Canada) Ltd., an Ontario corporation ("Canadian Buyer" and together with US Buyer, the "Buyers" and each individually, a "Buyer"), Hartford Computer Group, Inc., a Delaware corporation ("Parent"), and Nexicore Services, LLC, a Delaware limited liability company ("Nexicore" and together with Parent, the "Sellers" and, each individually, a "Seller").

RECITALS

WHEREAS, Parent and Nexicore, a wholly-owned subsidiary of Parent, are engaged in the Business and both use certain assets owned by Parent in the operation of the Business;

WHEREAS, US Buyer and Canadian Buyer wish to purchase and acquire from the Sellers, and the Sellers wish to sell, assign and transfer to US Buyer and Canadian Buyer, the US Assets and the Canadian Assets, respectively, and each Buyer has agreed to assume their respective Assumed Liabilities and Assumed Contracts, with approval of the Bankruptcy Court pursuant to Sections 363 and 365 of the Bankruptcy Code, all for the Purchase Price, and upon the terms and subject to the conditions herein set forth;

WHEREAS, the Sellers anticipate filing bankruptcy petitions under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") promptly after the date hereof, commencing a jointly-administered Chapter 11 case (the "Bankruptcy Case") in the U.S. Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"), and also anticipate filing proceedings under the CCAA (the "CCAA Recognition Proceedings") to obtain an order from the CCAA Court pursuant to Part IV of the CCAA recognizing the Bankruptcy Case as a "foreign main proceeding" and facilitating the implementation and enforcement of orders of the Bankruptcy Court;

WHEREAS, the Sellers expect to implement the Contemplated Transactions through the Bankruptcy Case and the CCAA Recognition Proceedings and in accordance with the Bankruptcy Code and the CCAA; and

WHEREAS, the Contemplated Transactions involve a sale, other than in the ordinary course of business, of certain of the Sellers' assets and properties out of the Sellers' bankruptcy estate and the Seller's assignment to the Buyers, and the Buyers' assumption, of the Assumed Contracts pursuant to Bankruptcy Code Sections 363 and 365;

NOW, THEREFORE, in consideration of the premises and of the representations, warranties and covenants hereinafter set forth, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions. For purposes of this Agreement, the following terms and variations thereof have the meanings specified or referred to in this Section 1.1.

"116(2) Property" means the portion of the Canadian Assets consisting of "taxable Canadian property (other than property described in subsection (5.2) and excluded property)" as defined for purposes of section 116 of the ITA.

"116(5.2) Property" means the portion of the Canadian Assets consisting of property that is described in subsection 116(5.2) of the ITA.

"2012 Earnout Amount" has the meaning set forth in Section 3.5(a).

"2013 Earnout Amount" has the meaning set forth in Section 3.5(b).

"Accounting Arbitrator" has the meaning set forth in Section 3.4(a)(iv).

"Accounts Payable" means all billed and unbilled accounts payable and other obligations to make payments under any Assumed Contract.

"Action" means any action, suit, arbitration, inquiry, proceeding or investigation by or before any court, arbitrator, governmental or other regulatory or administrative agency or commission.

"Affiliate" means, with respect to any specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, such specified Person. For this definition, "control" (and its derivatives) means the possession, directly or indirectly, or as trustee or executor, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting interests, as trustee or executor, by Contract or otherwise.

"Agreement" has the meaning set forth in the Preamble.

"Applicable Law" means all applicable provisions of all (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, ordinances, codes or orders of any Governmental Authority, and (b) orders, decisions, injunctions, judgments, awards and decrees of, or agreements with, any Governmental Authority, in each case, as amended or may be amended.

"Asset Allocations" has the meaning set forth in Section 3.3(a).

"Assumed Contracts" means, collectively, all Contracts listed on Schedule 2.1(d)(i) and Schedule 2.1(d)(ii).

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

"Auction" has the meaning set forth in Section 11.6.

"Bankruptcy Case" has the meaning set forth in the Recitals.

"Bankruptcy Code" has the meaning set forth in the Recitals.

"Bankruptcy Court" has the meaning set forth in the Recitals.

"Benefit Plans" has the meaning set forth in Section 6.2.

"Books and Records" means originals, if available and copies if not, of each the Seller's books, data, files and Records used in connection with the Business, whether in print, electronic or other media, including, without limitation: product data; engineering/process data; material safety data sheets and price lists; engineering drawings; designs; tool designs; manufacturing plans; quality plans; engineering notebooks; laboratory papers, reports and test results; engineering plans and reports; production plans/documentation, work papers and process aides; operations and maintenance manuals, any other technical data, information or manufacturing/production documentation; correspondence; sales data; information relating to customers; mailing lists; brochures; advertising materials; business and marketing plans; sales literature; promotional literature; customer, supplier and distributor lists; display units; listings; and purchasing records; provided, however, that Books and Records excludes (a) items related to Excluded Assets or Excluded Liabilities and (b) originals that each Seller is required by Applicable Law to retain in its possession.

"Break-Up Fee" means the fee referenced in Section 11.7 or such other amount approved by the Bankruptcy Court in the Bankruptcy Case, and recognized by the CCAA Court in the CCAA Recognition Proceedings, to be paid at, and from the proceeds of, the closing of the Contemplated Transactions between the Sellers and a purchaser or purchasers unaffiliated with any Buyer, as consideration for the Buyers' efforts and expenses in the negotiation, due diligence, and bidding processes associated with the Contemplated Transactions, and as liquidated and agreed damages in respect of the failure of the Contemplated Transactions with the Buyers to close, as further defined and approved by order of the Bankruptcy Court in the Bankruptcy Case, and recognized by the CCAA Court in the CCAA Recognition Proceedings.

"Business" means, collectively, the US Business and the Canadian Business.

"Business Day" means a day other than a Saturday or a Sunday or other day on which commercial banks in Chicago, Illinois are authorized or required by Applicable Law to close.

"Buyer Pro Rata Share" means the respective percentage of the fair market value of the Business, based on the fair market value of the Transferred Assets net of any Assumed Liabilities, that is attributable to the US Business and the Canadian Business based on the respective fair market values of the US Assets and Canadian Assets, net of any Assumed Liabilities, after taking into account the Final Closing US Working Capital Adjustment and the Final Closing Canadian Working Capital Adjustment as determined by the Buyers.

"Buyer Pro Rata Tentative Share" means the respective percentage of the fair market value of the Business, based on the fair market value of the Transferred Assets net of any Assumed Liabilities before taking into account the Final Closing US Working

Capital Adjustment and the Final Closing Canadian Working Capital Adjustment, that is attributable to the US Business and the Canadian Business based on the respective fair market values of the US Assets and Canadian Assets net of any Assumed Liabilities, all as determined by the Buyers. For example, if the Buyers determine that the Business' fair market value net of liabilities is $100, of which, the US Business' fair market value net of liabilities is $75 and the Canadian Business' fair market value net of liabilities is $25, then the Buyer Pro Rata Tentative Share for US Buyer would be 75% and the Buyer Pro Rata Tentative Share for Canadian Buyer would be 25%.

"Buyer(s)" has the meaning set forth in the Preamble.

"Buyer Share True-Up" means, in the event the Buyer Pro Rata Tentative Share and the Buyer Pro Rata Share are different, an adjustment to the overall portion of the Purchase Price respectively paid by US Buyer and Canadian Buyer to ensure that US Buyer and Canadian Buyer pay their respective portion of the Purchase Price based on their respective Buyer Pro Rata Share, which adjustment shall be effected by increasing or decreasing, as the case may be, the amounts paid out of the US Escrow Amount and the Canadian Escrow Amount, as applicable. The Buyer Share True-Up (a) shall be made in conjunction with US Buyer and Canadian Buyer's respective payment of the Final Closing US Working Capital Adjustment, if any, and the Final Closing Canadian Working Capital Adjustment, if any, pursuant to the terms of Section 3.4(a) and Section 3.4(b); and (b) shall take into account the Closing Cash Payment made on the Closing Date by US Buyer and Canadian Buyer based on their respective Buyer Pro Rata Tentative Share. For the avoidance of all doubt, the Buyer Share True-Up will be an adjustment to the portion of the Purchase Price respectively paid by US Buyer and Canadian Buyer and will not affect the amount of the Purchase Price to be paid to the Sellers.

"Buyers' Tax Contest" has the meaning set forth in Section 9.5(d).

"Canadian Acceptance Notice" has the meaning set forth in Section 3.4(b)(iii).

"Canadian Assets" means all properties, assets, contracts and rights of each Seller used exclusively in the Canadian Business, other than the Excluded Assets, including, without limitation, the following (with each asset owned by Parent listed in a schedule referenced below being identified as belonging to Parent):

(a) all of the Fixed Assets listed on Schedule 2.1(a)(i);

(b) all accounts receivables specific to the Canadian Business, whether billed or unbilled, as such receivables exist and have been added to or otherwise modified up to the Closing Date;

(c) all rights in respect of the Transferred Intellectual Property specific to the Canadian Business listed on Schedule 2.1(c)(i);

(d) all of the Assumed Contracts listed on Schedule 2.1(d)(i);

(e) all inventories (including all finished goods, goods in transit, work-in-process, raw materials, spare parts and all other materials and supplies held for, to be used or intended to be used by or consumed by a Seller in the production of finished goods), office and other supplies located at the Transferred Facilities listed on Schedule 2.1(o)(i) or specific to the Canadian Business;

(f) all of the prepaid expenses and security deposits relating to the Canadian Business reflected on the final Closing Canadian Working Capital Statement or that relate to any of the Assumed Contracts listed on Schedule 2.1(d)(i);

(g) all of the Books and Records specific to the Canadian Business;

(h) to the extent permitted under Applicable Law, all Consents and Permits specific to the Transferred Facilities listed on Schedule 2.1(o)(i), the Canadian Assets or the Canadian Business, including without limitation the Consents and Permits set forth on Schedule 2.1(h)(i);

(i) to the extent transferable, all rights under express or implied warranties from or rights against a Seller's suppliers with respect to the Canadian Assets, the Canadian Business or the Assumed Contracts listed on Schedule 2.1(d)(i);

(j) all insurance benefits or proceeds, including rights and proceeds, arising from or relating to the Canadian Assets, the Canadian Business or the Assumed Liabilities prior to the Closing;

(k) all rights to causes of action, lawsuits, claims and demands of any nature available to a Seller that are specific to the Canadian Assets, the Assumed Liabilities related to the Canadian Business or, otherwise to the Canadian Business, other than avoidance actions under the Bankruptcy Code;

(l) to the extent transferable, all guarantees, warranties, indemnities, bonds, letters of credit and similar arrangements that run in favor of a Seller specifically related to the Canadian Assets or the Canadian Business;

(m) additional assets relating to the Canadian Business arising in the ordinary course of business between the date hereof and the Closing Date reflected on the final Closing Canadian Working Capital Statement;

(n) each Seller's rights and interests under all outstanding purchase orders entered into by each Seller for the purchase of goods or services specific to the Canadian Business;

(o) all rights and interests of each Seller with respect to the Transferred Facilities listed on Schedule 2.1(o)(i); and

(p) to the extent transferable and specific to the Canadian Business, all other or additional privileges, rights, interests, properties and assets of each Seller of every kind and description and wherever located, including without limitation the real estate leases

listed on Schedule 2.1(p)(i), that are used or intended for use in connection with, or that are necessary for the continued conduct of, the Canadian Business as presently being conducted.

"Canadian Business" means the business of providing depot repair services and repair services and parts distribution and repair services as conducted by Parent on the Closing Date in Canada, but for the avoidance of all doubt, expressly excluding the hardware business conducted by Parent's Subsidiary Hartford Computer Hardware, Inc. and its Subsidiary, Hartford Computer Government, Inc.

"Canadian Buyer" has the meaning set forth in the Preamble.

"Canadian Buyer Payment" has the meaning set forth in Section 9.5(g)(ii).

"Canadian Escrow Amount" means Two Hundred Thousand Dollars ($200,000).

"Canadian Objection Notice" has the meaning set forth in Section 3.4(b)(iii).

"Canadian Tax Escrow Agent" has the meaning set forth in Section 9.5(g)(ii).

"Canadian Tax Escrow Agreement" has the meaning set forth in Section 9.5(g)(ii).

"Canadian Transfer Taxes" has the meaning set forth in Section 9.4(c)(i).

"Canadian Working Capital" means (a) Current Assets of the Canadian Business *less* (b) Current Liabilities of the Canadian Business, in each case attributable to the Canadian Assets.

"Canadian Working Capital Offset" has the meaning set forth in Section 3.4(b)(v).

"Cash Payment" has the meaning set forth in Section 3.2(a)(i).

"CCAA" means the *Companies' Creditors Arrangement Act* R.S.C., 1985, c.36, as amended.

"CCAA Court" means the Ontario Superior Court of Justice (Commercial List).

"CCAA Recognition Proceedings" has the meaning set forth in the Recitals.

"Certificate of Compliance" has the meaning set forth in Section 9.5(g)(i).

"Closing" means the closing of the transactions as contemplated by Section 3.1.

"Closing Cash Payment" has the meaning set forth in Section 3.2(b)(i).

"Closing Canadian Working Capital" has the meaning set forth in Section 3.4(b)(ii).

"Closing Canadian Working Capital Statement" has the meaning set forth in Section 3.4(b)(ii).

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

"Closing US Working Capital" has the meaning set forth in Section 3.4(a)(ii).

"Closing US Working Capital Statement" has the meaning set forth in Section 3.4(a)(ii).

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

"Comfort Letter" has the meaning set forth in Section 9.5(g)(v).

"Competing Bid" has the meaning set forth in Section 11.3.

"Competing Bidder" has the meaning set forth in Section 11.3.

"Consent" means any consent, approval, authorization, waiver, permit, grant, franchise, concession, agreement, license, exemption, order or variance of, registration, certificate, declaration or filing with, or report or notice to, any Person, including, but not limited to, any Governmental Authority.

"Contemplated Transactions" means the transactions contemplated by the Agreement.

"Contract(s)" means any legally binding agreements, contracts, commitments, orders, licenses, leases and other instruments and arrangements.

"Cost of Capital" means an amount equal to the interest on the incremental capital contributed to the Business after the Closing Date from the date of contribution of such capital at the rate of 10% per annum, compounding monthly.

"CRA" means the Canada Revenue Agency.

"Current Assets" of the Canadian Business or the US Business, respectively, means the sum of the (i) accounts receivable, (ii) inventory and (iii) prepaid expenses and other as presented in the financial statements of the Business, but shall expressly exclude cash and any claim for a refund for Taxes.

"Current Liabilities" of the Canadian Business or the US Business, respectively, means the sum of (i) Accounts Payable, (ii) accrued expenses and (iii) deferred revenue as presented in the financial statements of the Business, but shall expressly exclude lines of credit, accrued interest to related parties and notes payable to related parties.

"Designated Individuals" has the meaning set forth in Section 12.10.

"Disclosure Schedule" has the meaning set forth in the preamble to Article 4.

"Earnout Amount(s)" has the meaning set forth in Section 3.5(b).

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

"Employee" means an individual employed by Parent or Nexicore in the Business, whether on a full-time or part-time basis.

"Employee Information" has the meaning set forth in Section 4.11.

"Employment Agreements" has the meaning set forth in Section 12.10.

"Encumbrance" means any charge, claim, condition, equitable interest, lien, option, pledge, security interest, mortgage, right of way, easement, encroachment, servitude, right of first option, right of first refusal or similar restriction, including any restriction on use, voting (in the case of any security or equity interest), transfer, receipt of income or exercise of any other attribute of ownership. Notwithstanding the foregoing, the following shall not constitute an Encumbrance: (a) workers' or unemployment compensation liens arising in the ordinary course of business; (b) mechanic's, materialman's, supplier's, vendor's or similar liens arising in the ordinary course of business securing amounts that are not delinquent or past due; (c) purchase money security interests arising in the ordinary course of business; (d) zoning ordinances, easements and other restrictions of legal record affecting real property which would be revealed by a survey and would not, individually or in the aggregate, materially interfere with the value or usefulness of such real property to the Business; (e) Encumbrances for taxes either not yet due and payable or being contested in good faith by appropriate means; (f) statutory Encumbrances of landlords for amounts not yet due and payable; (g) Encumbrances attaching to inventory held by consignees in the ordinary course of business; and (h) Encumbrances securing indebtedness to be repaid or released in full without any further Liability in connection with the Closing.

"Environmental Laws" means any federal, state, provincial, territorial, municipal or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or environmental conditions, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601, *et seq.*; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901, *et seq.*; the Toxic Substances Control Act of 1976, 15 U.S.C. §§ 2601, *et seq.*; the Superfund Amendments and Reauthorization Act of 1986, Title III, 42 U.S.C. § 11001, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401, *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251, *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§ 300f, *et seq.*; the Solid Waste Disposal Act, 42 U.S.C. §§ 3251, *et seq.*; and any other federal, state, provincial, territorial, municipal and local laws and regulations relating to pollution or the environment (including, without limitation, ambient air, surface water, groundwater, land surface, or sub-surface strata), including, without limitation, laws and regulations relating to emissions, discharges, releases, or threatened releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials. Any reference in the definition

of the Environmental Laws to statutory or regulatory sections shall be deemed to include any amendments thereto and any successor sections.

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

"Escrow Agent" means Wells Fargo Bank, N.A.

"Escrow Agreement" means the escrow agreement substantially in the form attached hereto as Exhibit B.

"Estimated Canadian Tax Liabilities" means the Sellers' good faith estimation of the amount of Taxes allocable to a Pre-Closing Tax Period, the non-payment of which would result in the Buyers becoming liable for such Taxes to any Governmental Authority in Canada. For the avoidance of all doubt, the Estimated Canadian Tax Liabilities shall, without limitation, include all Taxes for which a Buyer shall become liable, allocable to a Pre-Closing Tax Period (using the procedures set forth in Section 9.5(a)) that began on or before the Closing Date and that will end after the Closing Date.

"Estimated Closing Canadian Working Capital" has the meaning set forth in Section 3.4(b)(i).

"Estimated Closing Canadian Working Capital Adjustment" has the meaning set forth in Section 3.4(b)(i).

"Estimated Closing Canadian Working Capital Statement" has the meaning set forth in Section 3.4(b)(i).

"Estimated Closing US Working Capital" has the meaning set forth in Section 3.4(a)(i).

"Estimated Closing US Working Capital Adjustment" has the meaning set forth in Section 3.4(a)(i).

"Estimated Closing US Working Capital Statement" has the meaning set forth in Section 3.4(a)(i).

"Estimated US Tax Liabilities" means the Sellers' good faith estimation of the amount of Taxes allocable to a Pre-Closing Tax Period, the non-payment of which would result in the Buyers becoming liable for such Taxes to any Governmental Authority in the United States. For the avoidance of all doubt, the Estimated US Tax Liabilities shall, without limitation, include all Taxes for which a Buyer shall become liable, allocable to a Pre-Closing Tax Period (using the procedures set forth in Section 9.5(a)) that began on or before the Closing Date and that will end after the Closing Date.

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

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

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

"Excluded Losses" means (a) punitive, speculative or exemplary damages, and (b) losses based on or attributable to lost revenues, lost earnings, multiples of earnings, multiples of revenues or other methodologies that may have been used in determining the Purchase Price; but excluding any of the foregoing Losses if they are claimed by a third party (which, for the avoidance of doubt, shall not include Buyers or any of their respective Affiliates) in connection with an indemnifiable claim under Section 10.2(a).

"Exhibits" means the Exhibits to the Agreement.

"Final Closing Canadian Working Capital Adjustment" means the amount by which the Closing Canadian Working Capital exceeds, or is exceeded by, the Estimated Canadian Working Capital.

"Final Closing US Working Capital Adjustment" means the amount by which the Closing US Working Capital exceeds, or is exceeded by, the Estimated US Working Capital.

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

"Fixed Assets" means all machinery, equipment, furniture, furnishings, and other tangible personal property classified as fixed assets owned by a Seller and used in the Business.

"GAAP" means United States generally accepted accounting principles, consistently applied.

"Governmental Authority" means any nation or government, any state, provincial, territorial or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including, without limitation, any governmental authority, quasi-governmental, agency, department, board, commission or instrumentality of the United States, any state of the United States, Canada, any province or territory of Canada, or any political subdivision thereof, any tribunal or arbitrator(s) of competent jurisdiction and any self-regulatory organization.

"Hazardous Activity" means the distribution, generation, handling, importing, management, manufacturing, processing, production, refinement, Release, storage, transfer, transportation, treatment or use (including any withdrawal or other use of groundwater) of Hazardous Material into the environment and any other act, business, operation or thing that constitutes a threat of Release, or poses an unreasonable risk of harm to any Person or property or the environment.

"Hazardous Materials" means any substance, material or waste that is regulated by any federal, state, territorial, provincial, municipal or local Governmental Authority, including, without limitation, any material or substance that is (a) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste" or

"restricted hazardous waste" under any provision of any Applicable Law, (b) petroleum, (c) asbestos, (d) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251, et seq. (33 U.S.C. § 1321), or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317), (e) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. (42 U.S.C. § 6903), or (f) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, et seq. (42 U.S.C. § 9601). Any reference in the definition of Hazardous Materials to statutory or regulatory sections shall be deemed to include any amendments thereto and any successor sections.

"Hired Employees" has the meaning set forth in Section 6.1(a).

"Indemnification Offset" has the meaning set forth in Section 10.4.

"Interim Financial Statements" has the meaning set forth in Section 4.6.

"Interim Hearing" has the meaning set forth in Section 11.1.

"Interim Order" has the meaning set forth in Section 11.1.

"Interim Recognition Order" has the meaning set forth in Section 11.1.

"IRS" means the Internal Revenue Service.

"ITA" means the Income Tax Act (Canada) and the regulations thereunder, as amended from time to time.

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

"License Agreement" has the meaning set forth in Section 7.3.

"Loss" means claims, losses, Liabilities, damages, deficiencies, costs and expenses, including without limitation, losses resulting from the defense, settlement and/or compromise of a claim and/or demand and/or assessment, reasonable outside attorneys', accountants and expert witnesses' fees, costs and expenses of investigation, and the costs and expenses of recouping such losses.

"Material Adverse Effect on the Business" means any material adverse change in, or material adverse effect on, the assets, liabilities, business or operations of the Transferred Assets or the Business taken as a whole, or in either Seller's ability to perform its obligations under the Transaction Documents other than changes, events or occurrences (a) generally affecting the Sellers' industry in the United States, Canada, or

in a specific geographic area in which the Sellers operate, (b) generally affecting the economy, or financial or capital markets, in the United States or elsewhere in the world, including changes in interest or exchange rates or the availability of capital, or (c) arising out of, resulting from or attributable to (i) changes in Law or regulation or in generally accepted accounting principles or in accounting standards, or changes in general legal, regulatory or political condition, (ii) the negotiations, execution, announcement or performance of any agreement between the Sellers and/or their Affiliates, on the one hand, and the Buyers and/or their Affiliates, on the other hand, or the consummation of the transactions contemplated hereby or operating performance or reputational issues arising out of or associated with the Bankruptcy Cases, including the impact thereof on relationships, contractual or otherwise, with customers, obligors, brokers, suppliers, distributors, partners or employees related to the execution or performance of this Agreement or the transactions contemplated hereby, including, without limitation, any developments in the Bankruptcy Cases, (iii) any action taken by the Sellers or their Subsidiaries as contemplated or permitted by any agreement between the Sellers and/or their Affiliates, on the one hand, and the Buyers and/or their Affiliates, on the other hand; or (iv) any failure to meet revenue or earnings projections, forecasts, estimates or guidance for any period, whether relating to financial performance or business metrics, including, without limitation, revenues, net incomes, cash flows or cash positions; provided, however, that any change, event or occurrence referred to in clauses (a) or (b) immediately above shall be taken into account in determining whether a Material Adverse Effect on the Business has occurred or could reasonably be expected to occur to the extent that such change, event or occurrence has a disproportionate effect on the Business compared to other participants in the industries in which the Sellers conduct the Business.

"Material Adverse Effect on Buyer" has the meaning set forth in Section 5.4.

"Minimum Overbid" has the meaning set forth in Section 11.5(b).

"Names" has the meaning set forth in Section 7.2.

"Nexicore" has the meaning set forth in the Preamble.

"Nexicore Payment" has the meaning set forth in Section 3.2(c).

"Occupational Health and Safety Law" means any law designed to provide safe and healthful working conditions and to reduce occupational safety and health hazards, including the Occupational Safety and Health Act, and any program, whether governmental or private, designed to provide safe and healthful working conditions.

"Operating Income" has the meaning set forth in Section 3.5(i).

"Operating Income Calculation" has the meaning set forth in Section 3.5(d).

"Order" means any writ, judgment, decree, injunction or similar order of any Governmental Authority (in each such case whether preliminary or final).

"Outside Date" has the meaning set forth in Section 14.1(a).

"Parent" has the meaning set forth in the Preamble.

"Parent Payment" has the meaning set forth in Section 3.2(c).

"Permits" has the meaning set forth in Section 4.9.

"Person" means any natural person, firm, partnership, association, corporation, company, limited liability company, trust, business trust, Governmental Authority or other entity.

"Post-Closing Tax Period" means any Tax period beginning after the end of the Closing Date and, with respect to any period beginning on or before the Closing Date and ending after the Closing Date, the portion of such period beginning after the end of the Closing Date.

"Pre-Closing Tax Period" means any Tax period ending on or before the end of the Closing Date and, with respect to any Tax period beginning on or before the Closing Date and ending after the Closing Date, the portion of such period ending on the end of the Closing Date.

"Protest Notice" has the meaning set forth in Section 3.5(f).

"Purchase Price" has the meaning set forth in Section 3.2(a).

"Qualified Bid(s)" has the meaning set forth in Section 11.5.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Release" means any release, spill, emission, leak, pumping, pouring, dumping, emptying, injection, deposit, disposal, discharge, dispersal, leaching, or migration on or into the indoor or outdoor environment or into or out of any property.

"Remittance Date" has the meaning set forth in Section 9.5(g)(iv).

"Required Amount" has the meaning set forth in Section 9.5(g)(viii).

"Sale Hearing" has the meaning set forth in Section 11.1.

"Sale Order" has the meaning set forth in Section 11.1.

"Sale Recognition Order" has the meaning set forth in Section 11.1.

"Schedule" means the Schedules to the Agreement, including but not limited to sections of the Disclosure Schedule.

"Seller Pro Rata Share" means each Seller's pro rata share of the Transferred Assets, represented by, in the case of Nexicore, 8% of the value of U.S. Assets, and in the case of Parent, the sum of (i) 92% of the value of the U.S. Assets and (ii) 100% of the value of the Canadian Assets, as set forth in the Asset Allocations pursuant to Section 3.3(a).

"Seller(s)" has the meaning set forth in the Preamble.

"Sellers' Knowledge" (or other words to that effect) means the knowledge of Brian Mittman, Jo Lamoreaux, Richard Levin, Ron Brinckerhoff, and Randy Hodgson after due inquiry.

"Sellers' Tax Contest" has the meaning set forth in Section 9.5(d).

"Subsidiary" means and refers to any corporation, association or other business entity of which more than fifty (50) percent of the issued and outstanding shares of capital stock or equity interests is owned or controlled, directly or indirectly, by a Seller or a Buyer, as the case may be, and in which a Seller or a Buyer, as the case may be, has the power, directly or indirectly, to elect a majority of the directors.

"Survival Period" has the meaning set forth in Section 10.1.

"Target Canadian Working Capital" means One Million Five Hundred Thousand Dollars ($1,500,000).

"Target US Working Capital" means Nine Million Eight Hundred Thousand Dollars ($9,800,000).

"Tax Data" has the meaning set forth in Section 9.5(c).

"Tax Documentation" has the meaning set forth in Section 9.5(c).

"Tax Proceeding" has the meaning set forth in Section 9.5(d).

"Tax Return" means any return, report, declaration, form, claim for refund or information return or statement required to be filed with any Governmental Authority relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Tax(es)" means any federal, state, provincial, territorial, municipal, county, local, and foreign taxes, (including, without limitation, Canadian taxes) charge, fee, levy, impost, duty, or other assessment in the nature of tax, including income, capital, gross receipts, excise, employment, sales, use, transaction privilege, goods and services, harmonized sales, unclaimed property, escheat, transfer, recording, license, payroll, franchise, severance, documentary, stamp, occupation, windfall profits, environmental, highway use, commercial rent, customs duty, capital stock, paid-up capital, profits, withholding, Social Security, single business, unemployment, disability, real property, personal property, registration, ad valorem, value added, alternative or add-on minimum,

estimated, or other tax or governmental fee of any kind whatsoever, imposed or required to be withheld by any Governmental Authority, including any estimated payments relating thereto, any interest, penalties, and additions imposed thereon or with respect thereto, and including liability for taxes of another Person under Treas. Reg. Section 1.1502-6 or similar provision of state, local or foreign law, or as a transferee or successor, by contract or otherwise.

"Termination Date" has the meaning set forth in Section 14.1.

"Transaction Documents" means the Agreement, the Escrow Agreement, the Canadian Tax Escrow Agreement, if required pursuant to Section 9.5(g), the License Agreement, the Employment Agreements and the other documents and instruments contemplated by the Agreement to be delivered at the Closing.

"Transfer Taxes" has the meaning set forth in Section 9.4(c)(i).

"Transferred Assets" means, collectively, the US Assets and the Canadian Assets.

"Transferred Facilities" means the offices and facilities used in whole or in part, by the Business as of the date of the Agreement that are listed on Schedule 2.1(o)(i) and 2.1(o)(ii).

"Transferred Intellectual Property" means all worldwide intellectual property owned, used, held for use, or licensed (as licensor or licensee) by a Seller that are necessary to or useful in the conduct of the Business, as presently conducted or as presently proposed to be conducted, including, without limitation, (a) all patents, patent applications, invention disclosures and inventions and discoveries, whether or not patentable and whether or not reduced to practice, improvements thereto, and other rights of invention; (b) brand marks, brand names, registered and unregistered trademarks, service marks, trade names, trade dress, logos, product names and slogans, including any common law rights, registrations and applications for the foregoing; (c) copyrightable works, website content, all registered and unregistered copyrights in both published works and unpublished works, other rights of authorship and exploitation, moral rights and any applications, registrations and renewals in connection therewith; (d) all rights in mask works; (e) all know-how, trade secrets, confidential or proprietary information, customer lists, financial information, business information, technical information, data, process technology, plans, drawings and blue prints; (f) all software; (g) all rights in internet web sites and internet domain names presently used by either Seller in connection with the Business; and (h) rights to exclude others from appropriating any of such Transferred Intellectual Property, including the right to sue for and remedies against past, present and future infringements of any or all of the foregoing and rights of priority and protection of interests therein, and any other proprietary, intellectual property and other rights relating to any or all of the foregoing anywhere in the world, other than the Excluded Intellectual Property, as listed on Schedule 2.1(c)(i) and Schedule 2.1(c)(ii).

"US Acceptance Notice" has the meaning set forth in Section 3.4(a)(iii).

"US Assets" means all properties, assets, contracts and rights of each Seller used in the US Business, other than the Excluded Assets, including, without limitation, the following (with each asset owned by Parent listed in a schedule referenced below being identified as belonging to Parent):

(a) all of the Fixed Assets listed on Schedule 2.1(a)(ii);

(b) all accounts receivables specific to the US Business, whether billed or unbilled, as such receivables exist and have been added to or otherwise modified up to the Closing Date;

(c) all rights in respect of the Transferred Intellectual Property specific to US Business listed on Schedule 2.1(c)(ii);

(d) all of the Assumed Contracts listed on Schedule 2.1(d)(ii);

(e) all inventories (including all finished goods, goods in transit, work-in-process, raw materials, spare parts and all other materials and supplies held for, to be used or intended to be used by or consumed by a Seller in the production of finished goods), office and other supplies located at the Transferred Facilities listed on Schedule 2.1(o)(ii) or specific to the US Business;

(f) all of the prepaid expenses and security deposits relating the US Business reflected on the final Closing US Working Capital Statement or that relate to any of the Assumed Contracts listed in Schedule 2.1(d)(ii);

(g) all of the Books and Records relating to the US Business;

(h) to the extent permitted under Applicable Law, all Consents and Permits specific to the Transferred Facilities listed on Schedule 2.1(o)(ii), the US Assets or the US Business, including without limitation the Consents and Permits set forth on Schedule 2.1(h)(ii);

(i) to the extent transferable, all rights under express or implied warranties from, or rights against, a Seller's suppliers with respect to the US Assets, the US Business or the Assumed Contracts listed on Schedule 2.1(d)(ii);

(j) all insurance benefits or proceeds, including rights and proceeds, arising from or relating to the US Assets, the US Business or the Assumed Liabilities prior to the Closing;

(k) all rights to causes of action, lawsuits, claims and demands of any nature available to a Seller that are specific to the US Assets, the Assumed Liabilities related to the US Business or, otherwise, to the US Business, other than avoidance actions under the Bankruptcy Code;

(l) to the extent transferable, all guarantees, warranties, indemnities, bonds, letters of credit and similar arrangements that run in favor of a Seller related to the US Assets or the US Business;

(m) additional assets relating to the US Business arising in the ordinary course of business between the date hereof and the Closing Date reflected on the final Closing Working Capital Statement;

(n) each Seller's rights and interests under all outstanding purchase orders entered into by each Seller for the purchase of goods or services specific to the US Business;

(o) all rights and interests of each Seller with respect to the Transferred Facilities listed on Schedule 2.1(o)(ii); and

(p) to the extent transferable and specific to the US Business, all other or additional privileges, rights, interests, properties and assets of each Seller of every kind and description and wherever located, including without limitation the real estate leases listed on Schedule 2.1(p)(ii), that are used or intended for use in connection with, or that are necessary to the continued conduct of, the US Business as presently being conducted.

"US Business" means the business of providing depot repair services, onsite installation and repair services and parts distribution and repair services as conducted by Nexicore and Parent on the Closing Date in the United States of America and Puerto Rico, but for the avoidance of all doubt expressly excluding the hardware business conducted by Parent's Subsidiary Hartford Computer Hardware, Inc. and its Subsidiary, Hartford Computer Government, Inc.

"US Buyer" has the meaning set forth in the Preamble.

"US Escrow Amount" means One Million Three Hundred Thousand Dollars ($1,300,000).

"US Objection Notice" has the meaning set forth in Section 3.4(a)(iii).

"US Transfer Taxes" has the meaning set forth in Section 9.4(b)(i).

"US Working Capital" means (a) Current Assets of the US Business *less* (b) Current Liabilities of the US Business, in each case attributable to the US Assets.

"US Working Capital Offset" has the meaning set forth in Section 3.4(a)(v).

"Withheld Amount" has the meaning set forth in Section 9.5(g)(iii).

"Year-End Financial Statements" has the meaning set forth in Section 4.6.

ARTICLE 2
SALE AND PURCHASE OF THE ASSETS

Section 2.1 Transferred Assets. Subject to and upon the terms and conditions set forth in this Agreement, at the Effective Time:

(a) Each Seller shall sell, assign, transfer, convey and deliver to US Buyer and US Buyer shall purchase and acquire from the Sellers, all right, title and interest of each Seller in and to the US Assets.

(b) Each Seller shall sell, assign, transfer, convey and deliver to Canadian Buyer and Canadian Buyer shall purchase and acquire from the Sellers, all right, title and interest of each Seller in and to the Canadian Assets. For the avoidance of doubt, the Sellers confirm that all of the Canadian Assets are owned by Parent.

Section 2.2 Excluded Assets. Notwithstanding anything contained in Section 2.1 hereof to the contrary, the Transferred Assets do not include any of the following (herein referred to collectively as the "Excluded Assets"):

(a) all cash and cash equivalents, including, without limitation, any cash collateral for outstanding letters of credit;

(b) subject to Section 7.3, the names and marks "Hartford Computer Group" and any name or mark derived from or including the foregoing, including all corporate symbols or logos incorporating "Hartford Computer Group" (the "Excluded Intellectual Property");

(c) all minute books, stock Records and corporate seals;

(d) all shares of Nexicore, Hartford Computer Hardware, Inc. and Hartford Computer Government, Inc.;

(e) the shares of capital stock of either Seller held in treasury;

(f) all real property;

(g) all causes of action, claims, demands, rights and privileges against third parties to the extent related to any of the Excluded Liabilities or other Excluded Assets;

(h) all Contracts that are not Assumed Contracts;

(i) all personnel Records and other Records that either Seller is required by Applicable Law to retain in its possession (provided, that to the extent permitted by Applicable Law, such Seller shall make copies thereof available to the Buyers upon their request);

(j) all Tax Returns of each Seller (provided, that where any Tax Returns are required by the Buyers for the purposes of Section 9.4 or Section 9.5, in which case the Sellers shall make copies thereof available to the Buyers upon their reasonable request);

(k) all claims for refunds of Taxes, to the extent that such Tax relates to an Excluded Liability;

(l) all causes of action that constitute property of the Sellers' bankruptcy estate pursuant to chapter 5 of the Bankruptcy Code;

(m) all rights in connection with the assets of the Benefit Plans;

(n) all intercompany payables and receivables between Nexicore or Parent, on the one hand, and any of their respective Subsidiaries, on the other hand;

(o) all assets related to Parent's Maryland division which is in the business of providing IT solutions combining hardware, software and services, including, without limitation, those assets set forth on Schedule 2.2(o);

(p) all rights of each Seller under the Transaction Documents; and

(q) any asset that US Buyer or Canadian Buyer elects to exclude by listing it on Schedule 2.2(q).

Section 2.3 Assumption of Liabilities. Upon the terms and subject to the conditions contained herein, at the Closing, Canadian Buyer and US Buyer shall each severally assume the obligations and liabilities of each Seller accruing, arising out of, or relating to the Transferred Assets (collectively, the "Assumed Liabilities"), other than the Excluded Liabilities, including

(a) accrued liabilities constituting ordinary course liabilities of the Business incurred in the operation of the Business between commencement of the Bankruptcy Case and the Closing Date attributable to the US Assets or Canadian Assets;

(b) pre-Closing performance obligations and all post-Closing obligations of the Sellers under the Assumed Contracts, but excluding any obligations or liability for any breach of any such Assumed Contract occurring on or prior to the Closing Date, other than all payments required to be made pursuant to Section 365(b)(i) of the Bankruptcy Code, whether necessary to cure defaults or otherwise allow the Sellers' assumption and assignment of the Assumed Contracts to the Buyers; and

(c) any and all Liabilities arising out of or related to actions taken by the Buyers or any of their Affiliates with respect to the employment of any Hired Employee following the Closing Date, including Liabilities relating to (i) the termination by either of the Buyers or any of their Affiliates of any Hired Employees following the Closing, including any Liabilities to Hired Employees pursuant to the WARN Act to the extent relating to events occurring after the Closing; or (ii) any obligation to pay severance to any Hired Employee arising because of termination of employment by either of the Buyers or any of their Affiliates following the Closing.

Section 2.4 Excluded Liabilities. It is expressly understood and agreed that, except for the Assumed Liabilities, no Buyer shall be responsible for nor assume or be liable in any manner, directly or indirectly, for any of the debts, obligations, claims or Liabilities of either

Seller, of any kind or nature whatsoever, whether known or unknown, fixed, contingent or absolute, accrued, or otherwise (the "Excluded Liabilities"). The Sellers shall be responsible for their respective liabilities, obligations and undertakings that are not expressly assumed by a Buyer pursuant to Section 2.3, and shall discharge such liabilities, obligations and undertakings or make provision therefore. Without limiting the generality of the foregoing, Excluded Liabilities include without limitation the following:

(a) any Liability for (i) Taxes of the Sellers or any member of any consolidated, affiliated, combined or unitary group of which Parent or Nexicore is or has been a member, for any Tax period, (ii) Taxes related to the operation of the Business for any Pre-Closing Tax Period or (iii) subject to Section 9.4(c), Transfer Taxes;

(b) except as provided in Section 2.3, indebtedness for borrowed money relating to the conduct of the Business for all periods prior to Closing;

(c) Liabilities arising directly out of the Excluded Assets;

(d) intercompany payables and receivables between Nexicore or Parent and any of their respective Affiliates;

(e) payroll obligations (including any accrued but unpaid vacation entitlements of employees) of the Business in respect of periods prior to and including the Closing Date;

(f) accrued but unpaid vacation for all Employees;

(g) Liabilities and obligations under the Benefit Plans;

(h) Liabilities and obligations under any employment agreement, or arising out of the employment relationship, between a Seller and an Employee;

(i) the Liabilities, if any, listed on Schedule 2.4;

(j) any Liability arising out of violations of any Applicable Law occurring or existing on or before the Closing Date or arising out of any events, actions or omissions occurring or existing on or before the Closing Date;

(k) any Liability arising out of or relating to any products or services of a Seller, to the extent manufactured, sold or performed on or before the Closing Date, including, without limitation, liability for personal injury, death or property damage in connection with product liability claims;

(l) any Liabilities relating to bankruptcy and transaction expenses of either Seller;

(m) any Liability that is not related to, or was not incurred in connection with, the Business; and

(n) any account payable other than the Accounts Payable.

ARTICLE 3
THE CLOSING

Section 3.1 Place and Date. The closing of the sale and purchase of the Transferred Assets (the "Closing") and the assumption of the Assumed Liabilities shall take place by facsimile transmission or by electronic mail in PDF format of all required documents (with the original executed documents to be delivered by overnight courier) to the offices of Katten Muchin Rosenman LLP, 525 W. Monroe Street, Chicago, Illinois 60661 at 10:00 a.m. local time on the Business Day mutually agreed by the Buyers and the Sellers and on or before which the conditions referred to in Article 12 and Article 13 shall have been satisfied or waived. The day on which the Closing actually occurs is sometimes referred to herein as the "Closing Date." Notwithstanding the actual time of Closing on the Closing Date, the Closing shall be deemed to have occurred as of 11:59 p.m., local time, on the day of the Closing (the "Effective Time").

Section 3.2 Payment Terms.

(a) Upon the terms and subject to the conditions set forth in this Agreement, including, without limitation, the requirement to withhold a portion of the Purchase Price as set forth in Section 9.5(g), the Buyers will pay to the Sellers or their respective designees, an aggregate amount of consideration (the "Purchase Price") equal to:

(i) Thirty Five Million Five Hundred Thousand Dollars ($35,500,000) cash, as adjusted pursuant to Section 3.4(a)(i) and Section 3.4(b)(i), as applicable (the "Cash Payment");

(ii) *plus* or minus the Final Closing US Working Capital Adjustment, as calculated pursuant to the terms of Section 3.4(a);

(iii) *plus* or minus the Final Closing Canadian Working Capital Adjustment, as calculated pursuant to the terms of Section 3.4(b);

(iv) *plus* the Earnout Amounts, if any, as determined pursuant to the terms of Section 3.5; and

(v) *plus* the amount of the Assumed Liabilities, as determined pursuant to Section 3.3.

(b) Subject to Section 9.5(g), the Buyers shall pay the Purchase Price as follows:

(i) On the Closing Date (the "Closing Cash Payment") as follows:

(A) the Cash Payment;

(B) *plus* or *minus* the Estimated Closing US Working Capital Adjustment (as calculated pursuant to the terms of Section 3.4(a)(i));

(C) *plus* or *minus* the Estimated Closing Canadian Working Capital Adjustment (as calculated pursuant to the terms of Section 3.4(b)(i));

(D) *less* the US Escrow Amount; and

(E) *less* the Canadian Escrow Amount.

(ii) on the Closing Date by the assumption of the Assumed Liabilities pursuant to Section 3.3;

(iii) following the Closing Date, US Buyer shall pay the Final Closing US Working Capital Adjustment, if any, as determined pursuant to the terms of Section 3.4(a) and in accordance with Section 3.2(e);

(iv) following the Closing Date, Canadian Buyer shall pay the Final Closing Canadian Working Capital Adjustment, if any, as determined pursuant to the terms of Section 3.4(b) and in accordance with Section 3.2(e); and

(v) following the Closing Date, the Earnout Amounts, if any, pursuant to the terms of Section 3.5.

(c) The amounts payable to the Sellers pursuant to Section 3.2(b) shall be divided between Nexicore and Parent based on their respective Seller Pro Rata Share of such amounts (each such payment to Nexicore, a "Nexicore Payment" and each such payment to Parent, a "Parent Payment").

(d) On the Closing Date, US Buyer and Canadian Buyer shall pay the Nexicore Payment and the Parent Payment attributable to the Closing Cash Payment based on their respective Buyer Pro Rata Tentative Share of such amounts in immediately available funds by wire transfer to an account or accounts specified by Parent in a writing delivered to the Buyers at least three (3) Business Days prior to the Closing Date.

(e) On the Closing Date, US Buyer and Canadian Buyer shall pay the US Escrow Amount and the Canadian Escrow Amount, respectively, to the Escrow Agent in immediately available funds by wire transfer for deposit into an escrow account established under the Escrow Agreement. Subsequent to the Closing Date, the US Escrow Amount and the Canadian Escrow Amount will be used (i) to effectuate the Buyer Share True-Up; (ii) to make the Final Closing US Working Capital Adjustment pursuant to the terms of Section 3.4(a); and (iii) to make the Final Closing Canadian Working Capital Adjustment pursuant to the terms of Section 3.4(b), all in accordance with the terms of this Agreement and the Escrow Agreement.

Section 3.3 Allocation of Purchase Price.

(a) No later than thirty-five (35) days after the date hereof, the Buyers shall prepare and deliver to Sellers a draft allocation of the Purchase Price, together with the Assumed Liabilities and other relevant items (i) among the US Assets (including the various categories of assets) for purposes of United States federal income tax purposes in accordance with Code Section 1060 and the Treasury Regulations promulgated thereunder; and (ii) among the Canadian Assets (including the various categories of assets) for Canadian federal income tax purposes in accordance with the ITA (the "Asset Allocations"). Sellers shall have five days following receipt of the draft Asset Allocations to review and provide comments to Buyers, and Buyers shall review such comments in good faith and incorporate such comments as Buyers deem appropriate, in their reasonable discretion, and such final Asset Allocations shall be binding upon the Sellers.

(b) The Buyers shall be entitled to reasonably revise the Asset Allocations, in accordance with Code Section 1060, the regulations promulgated thereunder and the ITA, to appropriately take into account any payments made under this Agreement treated as an adjustment to the consideration for United States or Canadian federal income tax purposes, including without limitation, the payment of (i) the Final Closing US Working Capital Adjustment, if any; (ii) the Final Closing Canadian Working Capital Adjustment, if any; and (iii) any Earnout Amounts. The Buyers shall promptly provide Parent with any revisions to the allocation required pursuant to Section 3.3(a).

(c) The Buyers and the Sellers will each file all Tax Returns (including, but not limited to, IRS Forms 8594 and all prescribed forms for the purposes of the ITA) consistent with the Asset Allocations (including any adjustment thereto made pursuant to Section 3.3(b)). The Sellers, on the one hand, and the Buyers, on the other hand, agree to provide the other promptly with any other information required to complete IRS Forms 8594 and the relevant forms under the ITA. Neither the Buyers nor the Sellers shall take any Tax position inconsistent with the Asset Allocations (including any adjustment thereto made pursuant to Section 3.3(b)) and neither the Buyers nor the Sellers shall agree to any proposed adjustment of the Asset Allocations based upon or arising out of the allocation by any Governmental Authority without first giving the other party reasonable prior written notice.

(d) For the avoidance of doubt, the Buyers and the Sellers acknowledge and agree that the value attributable to the assumption of the Assumed Liabilities shall be the amount allocated thereto pursuant to this Section 3.3 and that no further amount shall be attributed to the assumption of the Assumed Liabilities hereunder.

Section 3.4 Working Capital Adjustments.

(a) United States Working Capital Adjustment.

(i) On or before a date not less than three (3) Business Days prior to the Closing Date, Parent shall prepare and deliver to US Buyer a statement (the "Estimated Closing US Working Capital Statement") of the estimated US Working Capital as of the Closing Date (the "Estimated Closing US Working

Capital"). The Estimated Closing US Working Capital Statement (A) will be prepared in good faith; (B) will determine the Estimated Closing US Working Capital on a basis consistent with the line items and methodology set forth on Exhibit A; (C) will determine the Estimated US Tax Liabilities consistent with past practice; and (D) will not include any changes in assets or liabilities as a result of purchase accounting adjustments arising from or resulting as a consequence of the Contemplated Transactions. If the Estimated Closing US Working Capital is (x) greater than the Target US Working Capital, then the Closing Cash Payment to be paid by US Buyer shall be increased by the amount of such excess on a dollar for dollar basis or (y) less than the Target US Working Capital, then the Closing Cash Payment to be paid by US Buyer shall be decreased by the amount of such shortfall on a dollar for dollar basis (the amount payable pursuant to either subsection (x) or (y) above, the "Estimated Closing US Working Capital Adjustment").

(ii) Within the sixty (60) day period following the Closing Date, Parent shall prepare and deliver to US Buyer a statement of the US Working Capital (the "Closing US Working Capital Statement") as of the Closing Date (the "Closing US Working Capital"). The Closing US Working Capital Statement (A) will be prepared in good faith; (B) will determine the Closing US Working Capital on a basis consistent with the line items and methodology set forth on Exhibit A; (C) will update and re-determine the Estimated US Tax Liabilities using the latest available information; and (D) will not include any changes in assets or liabilities as a result of purchase accounting adjustments arising from or resulting as a consequence of the Contemplated Transactions. Parent shall make the work papers and back up materials used in preparing the Closing US Working Capital Statement, and the books, records and financial staff of Parent, available to US Buyer at reasonable times and upon reasonable notice at any time during (x) the review by US Buyer of the Closing US Working Capital Statement and (y) the resolution by the parties of any objections thereto.

(iii) Within twenty (20) days following Parent's delivery of the Closing US Working Capital Statement to US Buyer, US Buyer shall give Parent a written notice stating either (A) the acceptance, without objection, of the Closing US Working Capital Statement and the Closing US Working Capital (an "US Acceptance Notice") or (B) the objections to the Closing US Working Capital Statement and Parent's determination of the Closing US Working Capital (a "US Objection Notice"). If US Buyer delivers a US Objection Notice, such notice shall describe the nature of any such disagreement in reasonable detail, identify the specific items involved and the dollar amount of each such disagreement and provide reasonable supporting documentation for each such disagreement. After the end of such twenty (20) day period, neither US Buyer nor Parent may introduce additional disagreements with respect to any item in the Closing US Working Capital Statement or increase the amount of any disagreement, and any item not so identified shall be deemed to be agreed to by the parties and will be final and binding. If US Buyer gives Parent a US Acceptance Notice or does not give Parent a US Objection Notice within such twenty (20) day period, then the

Closing US Working Capital Statement will be conclusive and binding upon the parties.

(iv) If US Buyer and Parent do not resolve all disagreements properly identified in the US Objection Notice within thirty (30) days after delivery to Parent of the US Objection Notice, then such disagreements shall be submitted for final and binding resolution to the accounting firm of PriceWaterhouseCoopers (the "Accounting Arbitrator"). The Accounting Arbitrator must resolve the matter in accordance with the terms and provisions of this Agreement and shall select either the position of US Buyer or Parent as a resolution for each item or amount disputed and may not impose an alternative resolution with respect to any item or amount disputed. The Accounting Arbitrator shall make its determination based solely on presentations and supporting material provided by the parties and not pursuant to any independent review. The determination of the Closing US Working Capital by the Accounting Arbitrator shall be final and binding. The fees of the Accounting Arbitrator shall be borne on a proportionate basis by the Sellers, on the one hand, and the Buyers, on the other hand, based on the inverse proportion of the respective percentages of the dollar value of disputed issues determined in favor of the Sellers and the Buyers.

(v) If the Closing US Working Capital, as determined pursuant to Section 3.4(a)(iii) or (iv) above, is (A) greater than the Estimated Closing US Working Capital, then US Buyer shall (I) pay the entire amount of the difference to the Sellers in accordance with Section 3.4(a)(vi); and (II) the Escrow Agent shall release the US Escrow Amount to the Sellers (after taking into account the Buyer Share True-Up, if any); or (B) less than the Estimated Closing US Working Capital, then the Escrow Agent shall release the US Escrow Amount (after taking into account the Buyer Share True-Up, if any) less the amount by which the Closing US Working Capital is less than the Estimated Closing US Working Capital to the Sellers in accordance with Section 3.4(a)(vi) and shall release the balance of the US Escrow Amount to the US Buyer. Notwithstanding the foregoing, if the Closing US Working Capital is less than the Estimated US Working Capital by an amount which is in excess of the US Escrow Amount (after taking into account the Buyer Share True-Up, if any), then the US Buyer may, in its sole discretion, offset the payment of any Earnout Amount being made by the US Buyer to the Sellers pursuant to Section 3.5 by the amount of such excess (the "US Working Capital Offset").

(vi) US Buyer shall make the Final Closing US Working Capital Adjustment payment to the Sellers, if required pursuant to the terms of Section 3.4(a)(v), in accordance with their respective Seller Pro Rata Shares in immediately available funds by wire transfer to an account or accounts specified by Parent in a writing delivered to US Buyer at least three (3) Business Days prior to making such payment. Payment shall be made by US Buyer not more than 10 Business Days following the determination of the Closing US Working Capital pursuant to Section 3.4(a)(iii) or (iv).

(b) Canadian Working Capital Adjustment.

(i) On or before a date not less than three (3) Business Days prior to the Closing Date, Parent shall prepare and deliver to Canadian Buyer a statement (the "Estimated Closing Canadian Working Capital Statement") of the estimated Canadian Working Capital as of the Closing Date (the "Estimated Closing Canadian Working Capital"). The Estimated Closing Canadian Working Capital Statement (A) will be prepared in good faith; (B) will determine the Estimated Closing Canadian Working Capital on a basis consistent with the line items and methodology set forth on Exhibit A; (C) will determine the Estimated Canadian Tax Liabilities consistent with past practice; and (D) will not include any changes in assets or liabilities as a result of purchase accounting adjustments arising from or resulting as a consequence of the Contemplated Transactions. If the Estimated Closing Canadian Working Capital is (x) greater than the Target Canadian Working Capital, then the Closing Cash Payment to be paid by Canadian Buyer shall be increased by the amount of such excess on a dollar for dollar basis or (y) less than the Target Canadian Working Capital, then the Closing Cash Payment to be paid by Canadian Buyer shall be decreased by the amount of such shortfall on a dollar for dollar basis (the amount payable pursuant to either subsection (x) or (y) above, the "Estimated Closing Canadian Working Capital Adjustment").

(ii) Within the sixty (60) day period following the Closing Date, Parent shall prepare and deliver to Canadian Buyer a statement of the Canadian Working Capital (the "Closing Canadian Working Capital Statement") as of the Closing Date (the "Closing Canadian Working Capital"). The Closing Canadian Working Capital Statement (A) will be prepared in good faith; (B) will determine the Closing Canadian Working Capital on a basis consistent with the line items and methodology set forth on Exhibit A; (C) will update and re-determine the Estimated Canadian Tax Liabilities using the latest available information and (D) will not include any changes in assets or liabilities as a result of purchase accounting adjustments arising from or resulting as a consequence of the Contemplated Transactions. Parent shall make the work papers and back up materials used in preparing the Closing Canadian Working Capital Statement, and the books, records and financial staff of Parent, available to Canadian Buyer at reasonable times and upon reasonable notice at any time during (x) the review by Canadian Buyer of the Closing Canadian Working Capital Statement and (y) the resolution by the parties of any objections thereto.

(iii) Within twenty (20) days following Parent's delivery of the Closing Canadian Working Capital Statement to Canadian Buyer, Canadian Buyer shall give Parent a written notice stating either (A) the acceptance, without objection, of the Closing Canadian Working Capital Statement and the Closing Canadian Working Capital (a "Canadian Acceptance Notice") or (B) the objections to the Closing Canadian Working Capital Statement and Parent's determination of the Closing Canadian Working Capital (a "Canadian Objection Notice"). If Canadian Buyer delivers a Canadian Objection Notice, such notice shall describe the nature of any such disagreement in reasonable detail, identify the specific items involved

and the dollar amount of each such disagreement and provide reasonable supporting documentation for each such disagreement. After the end of such twenty (20) day period, neither Canadian Buyer nor Parent may introduce additional disagreements with respect to any item in the Closing Canadian Working Capital Statement or increase the amount of any disagreement, and any item not so identified shall be deemed to be agreed to by the parties and will be final and binding. If Canadian Buyer gives Parent a Canadian Acceptance Notice or does not give Parent a Canadian Objection Notice within such twenty (20) day period, then the Closing Canadian Working Capital Statement will be conclusive and binding upon the parties.

(iv) If Canadian Buyer and Parent do not resolve all disagreements properly identified in the Canadian Objection Notice within thirty (30) days after delivery to Parent of the Canadian Objection Notice, then such disagreements shall be submitted for final and binding resolution to the Accounting Arbitrator. The Accounting Arbitrator must resolve the matter in accordance with the terms and provisions of this Agreement and shall select either the position of Canadian Buyer or Parent as a resolution for each item or amount disputed and may not impose an alternative resolution with respect to any item or amount disputed. The Accounting Arbitrator shall make its determination based solely on presentations and supporting material provided by the parties and not pursuant to any independent review. The determination of the Closing Canadian Working Capital by the Accounting Arbitrator shall be final and binding. The fees of the Accounting Arbitrator shall be borne on a proportionate basis by the Sellers, on the one hand, and the Buyers, on the other hand, based on the inverse proportion of the respective percentages of the dollar value of disputed issues determined in favor of the Sellers and the Buyers.

(v) If the Closing Canadian Working Capital, as determined pursuant to Section 3.4(b)(iii) or (iv) above, is (A) greater than the Estimated Closing Canadian Working Capital, then Canadian Buyer shall (I) pay the entire amount of the difference to the Sellers in accordance with Section 3.4(b)(vi); and (II) the Escrow Agent shall release the Canadian Escrow Amount to the Sellers (after taking into account the Buyer Share True-Up, if any); or (B) less than the Estimated Closing Canadian Working Capital, then the Escrow Agent shall release the Canadian Escrow Amount (after taking into account the Buyer Share True-Up, if any) less the amount by which the Closing Canadian Working Capital is less than the Estimated Closing Canadian Working Capital to the Sellers in accordance with Section 3.4(b)(vi) and shall release the balance of the Canadian Escrow Amount to the Canadian Buyer. Notwithstanding the foregoing, if the Closing Canadian Working Capital is less than the Estimated Closing Canadian Working Capital by an amount which is in excess of the Canadian Escrow Amount (after taking into account the Buyer Share True-Up, if any), then the Canadian Buyer may, in its sole discretion, offset the payment of any Earnout Amount being made by the Canadian Buyer to the Sellers pursuant to Section 3.5 by the amount of such excess (the "Canadian Working Capital Offset").

(vi) Canadian Buyer shall make the Final Closing Canadian Working Capital Adjustment payment to the Sellers, if required pursuant to Section 3.4(a)(v), in accordance with their respective Seller Pro Rata Shares in immediately available funds by wire transfer to an account or accounts specified by Parent in a writing delivered to Canadian Buyer at least three (3) Business Days prior to making such payment. Payment shall be made by Canadian Buyer not more than 10 Business Days following the determination of the Closing Canadian Working Capital pursuant to Section 3.4(b)(iii) or (iv).

Section 3.5 Earnout.

(a) Subject to the terms contained in this Section 3.5, Buyers shall pay the Sellers, or Parent for distribution to the Sellers or their respective designees, in accordance with their respective Seller Pro Rata Shares, an aggregate amount (the "2012 Earnout Amount") equal to:

(i) 6 multiplied by the Operating Income for calendar year 2012;

(ii) *less* the Cash Payment;

(iii) *less* the US Working Capital Offset, if any;

(iv) *less* the Canadian Working Capital Offset, if any;

(v) *less* the Indemnification Offset, if any; and

(vi) *less* any incremental amount above $150,000, but not to exceed $350,000 in the aggregate, for calendar year 2012 for allocations for services provided by the Buyers or their Affiliates to the Business or finance, legal, compliance, accounting or tax services provided by the Buyers or their Affiliates to the Business in order for the Business to comply with Applicable Law or policies of the Buyers.

(b) Subject to the terms contained in this Section 3.5, the Buyers shall pay the Sellers, or Parent for distribution to the Sellers or their respective designees, in accordance with Section 3.2(c), an aggregate amount (the "2013 Earnout Amount" and together with the 2012 Earnout Amount, the "Earnout Amounts", and individually, an "Earnout Amount") equal to:

(i) 5 multiplied by the Operating Income for calendar year 2013;

(ii) *less* the Cash Payment;

(iii) *less* the 2012 Earnout Amount;

(iv) *less* the US Working Capital Offset (to the extent not already deducted from the 2012 Earnout Amount), if any;

(v) *less* the Canadian Working Capital Offset (to the extent not already deducted from the 2012 Earnout Amount), if any;

(vi) *less* the Indemnification Offset (to the extent not already deducted from the 2012 Earnout Amount), if any; and

(vii) *less* any incremental amount above $150,000, but not to exceed $350,000 in the aggregate, for calendar year 2013 for allocations for services provided by the Buyers or their Affiliates to the Business or finance, legal, compliance, accounting or tax services provided by the Buyers or their Affiliates to the Business in order for the Business to comply with Applicable Law or policies of the Buyers.

(c) Notwithstanding the foregoing:

(i) the 2012 Earnout Amount due and payable to the Sellers shall not exceed an amount equal to: (A) Forty Nine Million Dollars ($49,000,000); *less* (B) the Closing Cash Payment as adjusted by (I) the Final Closing US Working Capital Adjustment pursuant to Section 3.4(a)(v) (if not adjusted pursuant to Section 3.5(a)(iii)); and (II) the Final Closing Canadian Working Capital Adjustment pursuant to Section 3.4(b)(v) (if not adjusted pursuant to Section 3.5(a)(iv)); and

(ii) the 2013 Earnout Amount due and payable to the Sellers shall not exceed an amount equal to: (A) Fifty Five Million Dollars ($55,000,000); *less* (B) the Closing Cash Payment as adjusted by (I) the Final Closing US Working Capital Adjustment pursuant to Section 3.4(a)(v) (if not adjusted pursuant to Section 3.5(b)(iv)); and (II) the Final Closing Canadian Working Capital Adjustment pursuant to Section 3.4(b)(v) (if not adjusted pursuant to Section 3.5(b)(v)); *less* (C) the 2012 Earnout Amount.

(d) Within five (5) business days of completion, and in any event no later than one hundred twenty (120) days following the last day of the applicable fiscal year, the Buyers shall promptly deliver to Parent in each of 2013 and 2014, following the completion by a nationally recognized independent certified public accountant of the audit of the US Business and Canadian Business' consolidated financial statements for the immediately preceding year (consisting of the consolidated balance sheet and related statements of income, retained earnings and cash flows of the US Business and the Canadian Business, prepared on an income tax accrual basis), (i) a copy of such financial statements and (ii) a calculation of the Operating Income for such year based on such financial statements (the "Operating Income Calculation").

(e) Within thirty (30) days after the end of each quarter during fiscal years 2012 and 2013, the Buyers shall promptly deliver to Parent (i) the quarterly financial statements for each of the US Business and Canadian Business for the immediately preceding three-months (consisting of the consolidated balance sheet and related statements of income of the US Business and the Canadian Business, prepared on an income tax accrual basis) and (ii) a

calculation of the Operating Income for such three-month period and year to date based on such financial statements.

(f) Following delivery of the Operating Income Calculation, the Buyers will give permission to the Buyers' auditors to make available to Parent the work papers and other back up materials used in preparing the financial statements delivered to Parent pursuant to Section 3.5(d), and will make available the books, records and financial staff of the Buyers to Parent at reasonable times and upon reasonable notice. Within twenty (20) days following delivery of the Operating Income Calculation as provided in Section 3.5(d), Parent may deliver written notice (a "Protest Notice") to the Buyers of any objections that the Sellers have to the Operating Income Calculation, setting forth in reasonable detail the basis of such objection together with the amount(s) in dispute. If Parent does not deliver a Protest Notice within such ten (10) day period, Sellers will be deemed to have accepted the Operating Income Calculation as determined by the Buyers. Parent may also accept the Operating Income Calculation as determined by the Buyers prior to the expiration of the prescribed time period by delivering a signed written statement to the Buyers indicating unconditional acceptance of the Operating Income Calculation.

(g) In the event Parent and the Buyers are unable to agree on the Operating Income Calculation and the applicable Earnout Amount following therefrom within thirty (30) days after Parent receives the Operating Income Calculation, Parent and the Buyers will retain the Accounting Arbitrator to confirm the determination of the Operating Income Calculation and the Earnout Amount for the year in question. Parent and the Buyers shall each provide the Accounting Arbitrator with their respective determinations of the Operating Income Calculation and the Earnout Amount, and the Accounting Arbitrator shall consider only those items and amounts of the Operating Income Calculation and the Earnout Amount with respect to which Parent and the Buyers have been unable to agree. The Accounting Arbitrator must resolve the matter in accordance with the terms and provisions of this Agreement and shall select either the position of the Buyers or Parent as a resolution for each item or amount disputed and may not impose an alternative resolution with respect to any item or amount disputed. The Accounting Auditor's determination of the Operating Income Calculation and the Earnout Amount shall be based on the definition of "Operating Income" contained in Section 3.5(i). The determination of the Operating Income Calculation and the Earnout Amount by the Accounting Auditor shall be conclusive and binding upon the Parties. The fees of the Accounting Arbitrator shall be borne on a proportionate basis by the Sellers, on the one hand, and the Buyers, on the other hand, based on the inverse proportion of the respective percentages of the dollar value of disputed issues determined in favor of the Sellers and the Buyers.

(h) Upon final determination of the Operating Income Calculation (whether by acceptance or deemed acceptance by Parent of the Operating Income Calculation as determined by the Buyers or by the conclusive, binding determination of the Accounting Arbitrator), the Buyers shall, within ten (10) Business Days of such final determination, pay to the Sellers the applicable Earnout Amount in accordance with the provisions of this Section 3.5.

(i) For purposes of this Section 3.5, "Operating Income" means (i) the aggregate revenue of the Business for the applicable calendar year, *less* (ii) the sum for the applicable calendar year of (A) cost of revenues (comprised of Labor, Materials, Freight and

Other as presented in the financial statements of the Business) *plus* (B) selling, general and administrative expenses (including allocations not to exceed $150,000 in the aggregate per calendar year for services provided by the Buyers or their Affiliates to the Business or finance, legal, compliance, accounting or tax services provided by the Buyers or their Affiliates to the Business in order for the Business to comply with Applicable Law or policies of the Buyers), *plus* (C) the incremental cost of employee benefits provided to the Hired Employees, including any appropriate cost allocations of human resource services, *plus* (D) the Cost of Capital, in each case as defined and determined in accordance with GAAP and, to the extent not in contravention of GAAP, with the Buyers' policies and procedures, *plus* (E) depreciation and amortization, in each case determined in accordance with GAAP and, to the extent not in contravention of GAAP, with the Buyers' policies and procedures.

(j) The Buyers acknowledge that the Sellers' opportunity to receive the Earnout Amount in the manner set forth in this Agreement is an integral part of the Transaction, and the Sellers would not have entered into this Agreement but for such opportunity. Accordingly, the Buyers acknowledge that they owe the Sellers a duty of good faith and fair dealing with regard to the conduct of the Business in order to provide the Sellers with a full and fair opportunity to maximize the Earnout Amount. Without limiting the foregoing, from the Closing through and until December 31, 2013, the Buyers agree that they, and their Affiliates will:

(i) operate the Business in good faith, in a commercially reasonable manner in an effort to maximize the Operating Income, and dedicate reasonable, necessary and advisable resources, including but not limited to, working capital, technical, marketing, sales and employee resources, for the operation of the Business;

(ii) not take any action, or fail to take any action, if such action or inaction is designed or intended, in whole or in part, to reduce the Earnout Amount; and

(iii) require any Person who acquires the US Buyer pursuant to (A) a sale, disposition or other transfer of all or substantially all of the assets of the US Buyer (other than sales in the ordinary course of business consistent with past practices) or (B) a reorganization, merger, share exchange, consolidation or other similar transaction resulting in any Person, directly or indirectly, owning 50% or more of the equity interest in the US Buyer, to assume and be responsible for all rights and obligations provided under this Section 3.5.

(k) Subject to the Buyers' covenants contained in Section 3.5(j), each Seller acknowledges that (i) following the Closing, the US Buyer and the Canadian Buyer have the right to operate the US Business and the Canadian Business, respectively (and each Buyer's respective other businesses, if any) in any manner that such Buyer deems appropriate in its sole discretion and (ii) the Earnout Amount is speculative and is subject to numerous factors outside of the control of each Buyer. With the exception of imputed interest as outlined in Section 3.5(m), no interest shall be required in connection with the payment, if any, of the Earnout Amount

(l) US Buyer and Canadian Buyer shall pay the Nexicore Payment and the Parent Payment attributable to any Earnout Amounts paid pursuant to this Section 3.5 based on their respective Buyer Pro Rata Share of such amounts in immediately available funds by wire transfer to an account or accounts specified by Parent in a writing delivered to the Buyers at least three (3) Business Days prior to the Closing Date.

(m) United States Tax Treatment of Earnout Amount.

(i) Installment Sale. The Buyers and the Sellers each agree that the sale and purchase of the Transferred Assets pursuant to the terms of this Agreement represents a contingent payment sale with a stated maximum selling price as contemplated by Treas. Reg. Sections 15A.453-1(c)(1) – (2). As a result, any payment of an Earnout Amount made by US Buyer pursuant to this Section 3.5 will constitute an installment sale for purposes of Code Section 453.

(ii) Calculation of Imputed Interest. In calculating the portion of each payment of an Earnout Amount by US Buyer that constitutes interest, the Buyers and the Sellers each agree that US Buyer shall impute interest to the installment sale by applying the short term applicable federal rate, as determined by Code Section 1274(d), for interest compounding annually for the month in which the Closing Date occurs, and shall in writing inform Parent of the amount of the imputed interest in each tax year.

(iii) Purchase Price Adjustment. The Buyers and the Sellers each agree that, for all Tax purposes, if the aggregate Earnout Amounts paid by US Buyer to the Sellers do not equal the stated maximum selling price, then the excess of: (x) the maximum selling price over (y) the aggregate Earnout Amounts paid by US Buyer shall be treated as an adjustment to the Purchase Price.

(iv) Purchase Price Allocation. The Buyers and the Sellers each agree that the Buyers shall, in accordance with Section 3.3(b), be entitled to revise the Asset Allocation, established pursuant to the terms of Section 3.3(a), to take into account the payment of an Earnout Amount. The Buyers and the Sellers each agree to treat all matters consistent with such revised allocation in accordance with Section 3.3(c).

Section 3.6 Withholding. The Buyers are authorized to withhold a portion of any payment made to the Sellers pursuant to this Article 3 as required pursuant to the Code, the ITA, or state, local, provincial, territorial, municipal or other Canadian law, including, without limitation, as required by the income tax treaty between the United States and Canada or pursuant to the procedures outlined in Section 9.5(g). For all purposes of this Agreement, any amount withheld pursuant to the Code, ITA or any provision of state, local, provincial, territorial, municipal or other Canadian tax law shall be treated as part of the Purchase Price paid by the Buyers to the Sellers for the Transferred Assets. The Buyers shall be authorized to pay over to any Governmental Authority any amounts required to be and that are withheld pursuant to this Section 3.6.

Section 3.7 Consents of Third Parties. Notwithstanding anything to the contrary in this Agreement, this Agreement shall not constitute an agreement to assign or transfer any Consent from a Governmental Authority, instrument, contract (including the Assumed Contracts), lease, or other agreement or arrangement or any claim, right or benefit arising thereunder or resulting therefrom, to the extent that such assignment or transfer or an attempt to make such an assignment or transfer cannot be made pursuant to Section 365 of the Bankruptcy Code without the consent or approval of a third party. In the event any such consent or approval is not obtained on or prior to the Closing Date, each Seller shall cooperate with each Buyer in any lawful arrangement to provide that such Buyer shall receive the benefits under any such Consent, instrument, contract, lease or other agreement or arrangement.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the Disclosure Schedule delivered to the Buyers contemporaneously herewith (the "Disclosure Schedule"), of which the Schedules referred to below are a part, and in the documents and other materials identified in the Disclosure Schedule, and subject to the limitations contained in Section 15.11, as of the date of this Agreement, the Sellers make to the Buyers the following representations and warranties. References to a particular Schedule in the Disclosure Schedule, and those in any supplement thereto, relate only to the provisions in the Section of this Agreement to which they expressly relate and not to any other provision in this Agreement.

Section 4.1 Organization, Standing, Etc.

(a) Nexicore is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite limited liability company power and authority to carry on the Business as currently conducted by it and to own or lease and to operate the properties of the Business used by it. Nexicore is qualified to do business in Puerto Rico and each state of the United States in which the Business is conducted that requires such qualification and where the failure to so qualify would have a Material Adverse Effect on the Business.

(b) Parent is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to carry on its business as currently conducted by it and to own or lease and to operate the properties used by it. Parent is qualified to do business in each state of the United States in which the Business is conducted that requires such qualification and where the failure to so qualify would have a Material Adverse Effect on the Business.

Section 4.2 Authorization. Subject to approval by the Bankruptcy Court, the execution, delivery and performance of this Agreement and all other documents executed or to be executed pursuant to this Agreement by each Seller, and the consummation of the Contemplated Transactions, have been duly authorized by all necessary corporate or limited liability company action, as the case may be, on the part of each Seller. Subject to approval by the Bankruptcy Court, this Agreement has been duly executed and delivered by a duly authorized officer of each Seller. Nexicore has the limited liability company power and authority and

Parent has the corporate power and authority necessary to enter into and perform their respective obligations under this Agreement and to carry out the Contemplated Transactions.

Section 4.3 Enforceability. Subject to approval by the Bankruptcy Court and the CCAA Court, this Agreement constitutes the valid and legally binding obligation of each Seller, enforceable in accordance with its terms, except as such enforceability may be limited by equitable principles and by applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or similar laws relating to or affecting the rights of creditors generally.

Section 4.4 Compliance with Other Instruments and Laws. The execution, delivery and performance of this Agreement and the consummation of the Contemplated Transactions will not conflict with or result in any violation of or default under any provision (a) of the charter, bylaws or other organizational documents, as applicable, of either Seller, or (b) of any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to either Seller or any of their respective properties or assets, the result of which, with respect to items identified in clause (b) would (either individually or in the aggregate) have a Material Adverse Effect on the Business.

Section 4.5 Governmental Authorizations and Consents. Except as set forth on Schedule 4.5, no Consents, licenses, approvals or authorizations of, or registrations or declarations with, any Governmental Authority are required to be obtained or made by either Seller in connection with the execution, delivery, performance, validity and enforceability of this Agreement, other than Bankruptcy Court and CCAA Court approval.

Section 4.6 Financial Statements. Attached as Schedule 4.6 are the following: (a) audited balance sheets of the Business as at December 31, 2008, 2009 and 2010, and the related statements of income and retained earnings and cash flows for each of the fiscal years then ended (collectively, the "Year-End Financial Statements") and (b) an unaudited balance sheet of the Business for the year to date ended September 30, 2011, and the related statements of income and retained earnings and cash flow (collectively, the "Interim Financial Statements" and together with the Year-End Financial Statements, the "Financial Statements"). The Financial Statements fairly present the financial condition, results of operations, and changes in cash flow of the Business as at the respective dates of and for the periods referred to in such financial statements, all in accordance with GAAP (except that the Interim Financial Statements do not contain normal year-end adjustments that will not be material individually or in the aggregate and will not be greater than or less than such adjustments in prior years). The Financial Statements reflect the consistent application of such accounting principles throughout the periods involved, except as disclosed in the notes to such financial statements. The Financial Statements (i) are in accordance with the Books and Records of the Business and (ii) fairly and accurately present in all material respects the assets, liabilities (including all reserves) and financial position of the Business as of the respective dates thereof and the results of operations and changes in cash flow for the periods then ended, subject to normal recurring year-end adjustments where applicable.

Section 4.7 Absence of Certain Changes or Events. Since December 31, 2010, except (i) as set forth on Schedule 4.7, (ii) the filing of the Bankruptcy Case and the CCAA Recognition Proceedings and any actions taken in connection therewith, and (iii) activities

related to the Contemplated Transactions, each Seller has conducted its operations related to the Business in the ordinary course of business, and has not done any of the following with respect to the Business:

(a) suffered any change except changes that, in the aggregate, have not resulted and are not reasonably expected to result in a Material Adverse Effect on the Business;

(b) disposed of any tangible or intangible assets of the Business except in the ordinary course of business;

(c) incurred any Liability, except current liabilities for trade or business obligations incurred in the ordinary course of business and consistent with past business practices;

(d) created or permitted to exist any Encumbrance on any Transferred Assets;

(e) terminated or materially amended in an adverse manner or breached any Assumed Contract;

(f) except in the ordinary course of business, entered into any Contract or made any purchase commitment in excess of the normal, ordinary and usual requirements of the Business or at any price materially in excess of the then-current market price or upon terms and conditions materially more onerous than those consistent with past practice;

(g) failed to replenish its inventories and supplies in a normal and customary manner consistent with its prior practice;

(h) experienced any damage, destruction or Loss exceeding $10,000 individually or series of Losses exceeding $100,000 in the aggregate, related to the Transferred Assets;

(i) obtained knowledge of any occurrence, event, action, failure to act, or transaction, any one of which was outside the ordinary course of business, unless any of the above was not reasonably likely to result in a Material Adverse Effect on the Business;

(j) had any extraordinary charges, wrote down the value of any material assets or wrote off any material accounts receivable; or

(k) entered into any agreement or made any commitment to take any of the actions described in (a) – (k).

Section 4.8 Title to Transferred Assets; Sufficiency and Condition of Transferred Assets.

(a) Except for real and personal property subject to leases, each Seller owns, and will transfer, upon consummation of the Contemplated Transactions, good and transferable title to all of their respective Transferred Assets free and clear of any Encumbrances.

(b) Except as set forth in Schedule 4.8(b), the Transferred Assets (i) constitute all of the assets, tangible and intangible, of any nature whatsoever, necessary to operate the Business in the manner presently operated by the Sellers and (ii) include all of the operating assets of the Business.

(c) Except for real and personal property subject to leases, all of the Canadian Assets are owned by the Parent. All Canadian Assets are located only in the Province of Ontario.

Section 4.9 Licenses and Permits. Except as set forth on Schedule 4.9, to the Sellers' Knowledge, each Seller has all material licenses, permits and other authorizations from Governmental Authorities necessary for the conduct of the Business as conducted by each Seller as of the date hereof (collectively "Permits"). Except as set forth on Schedule 4.9, to the Sellers' Knowledge, (a) each of said Permits is in full force and effect, (b) the Business is in compliance with the terms, provisions and conditions thereof in all material respects, (c) there are no outstanding violations, notices of noncompliance, judgments, consent decrees, orders or judicial or administrative actions, investigations or proceedings adversely affecting any of said Permits, and (d) no condition exists and no event has occurred which (whether with or without notice, lapse of time or the occurrence of any other event) would permit the suspension or revocation of any material Permits other than by expiration of the term set forth therein.

Section 4.10 Environmental Matters.

(a) Each Seller has obtained all Permits required for the operation of the Business by all Environmental Laws and Occupational Health and Safety Law and is in compliance with these Permits and with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables contained in or arising from any Environmental Laws and Occupational Health and Safety Laws. Neither Seller has received any notices, reports, or other information, and, to the Sellers' Knowledge, is not subject to any threatened or pending Actions or any Order, from any Person, regarding (i) an actual, potential, or alleged violation of or failure to comply with any Environmental Law or Occupational Health and Safety Law; or (ii) any Release related to either Seller, or the Business, which is reasonably likely to prevent continued compliance with any Environmental Law or Occupational Health and Safety Law or which would otherwise be reasonably likely to give rise to any environmental, health or safety Liabilities, and, to Sellers' Knowledge, no facts exist that would be reasonably likely to result in any such matter listed in (i)-(ii).

(b) To the Sellers' Knowledge, the Business is in material compliance with Environmental Laws or Occupational Health and Safety Laws. If required by any Environmental Law, each Seller has sent all Hazardous Materials for storage, recycling, treatment or disposal in accordance with all Environmental Laws.

(c) Neither Seller has assumed, either expressly or by operation of law, any Liability of any other Person relating to an Environmental Law.

(d) The Sellers have delivered to the Buyers true and complete copies and results of any reports, studies, analyses, tests, or monitoring that are in either Seller's possession,

pertaining to Hazardous Materials or Hazardous Activities in, on, or under any property related to the Business or concerning compliance by either Seller with Environmental Laws.

Section 4.11 Employees.

(a) Schedule 4.11(a) contains lists of the titles or positions of all current Employees as of the date hereof and their date of hire and the location of their employment, a list of all written employment agreements or Contracts with Employees as of the date hereof and a list of all collective bargaining agreements (collectively, the "Employee Information"). Schedule 4.11(a) also includes a summary of all Benefit Plans.

(b) Except as disclosed in Schedule 4.11(b), (i) neither Parent nor Nexicore is a party to or bound by or subject to any collective bargaining agreements, has made any commitment to, or conducted any negotiation or discussion with, any labor union or employee association with respect to any future agreement or arrangement, or is required to recognize any labor union or employee association representing Employees or any agent having bargaining rights for Employees and (ii) to the Sellers' Knowledge, there is no current attempt to organize, certify, or establish any labor union or employee association with respect to Employees nor has there been any attempt to do so during the period of three (3) years preceding the date of this Agreement.

Section 4.12 Brokers. Except as set forth on Schedule 4.12, all negotiations relating to this Agreement, and the Contemplated Transactions, have been carried on without the participation of any Person acting on behalf of either Seller or their Affiliates in such manner as to give rise to any valid claim against either Buyer for any brokerage or finder's commission, fee or similar compensation, or, for any bonus payable to any officer, director, employee, agent or sales representative of or consultant to a Seller or such party's Affiliates upon consummation of the Contemplated Transactions.

Section 4.13 Restrictions on the Business. Except as set forth on Schedule 4.13, neither Seller is subject to any Contract containing covenants that in any way purport to restrict the Business or limit the freedom of a Seller to engage in any line of business or to compete with any Person.

Section 4.14 Relations with Suppliers and Customers.

(a) Neither Seller has received notice from any supplier to the effect that, and, to the Sellers' Knowledge and except for the Bankruptcy Cases, there is no reason to believe that, any supplier will stop, materially decrease the rate of, or materially change the terms (whether related to payment, price or otherwise) with respect to, supplying materials, products or services to either Seller for purposes of, or in connection with, the Business.

(b) Neither Seller has received notice from any customer to the effect that, and, to the Sellers' Knowledge and except for the Bankruptcy Cases, there is no reason to believe that, any customer will stop, or materially decrease the rate of, buying products or services from either Seller, except in the ordinary course of business consistent with past practice.

Section 4.15 Taxes.

(a) The unpaid Taxes of the Sellers (i) did not, as of the date of the Financial Statements, exceed the reserve for Tax liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the Financial Statements (rather than in any notes thereto); and (ii) will not exceed that reserve as adjusted for operations and transactions through the Closing Date.

(b) Parent is registered under Part IX of the Excise Tax Act (Canada) and its registration number is 885386557 RT 0001.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF BUYERS

The Buyers represent and warrant to the Sellers as set forth below as of the date of this Agreement:

Section 5.1 Organization and Standing of Buyer. Each Buyer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction where it is organized and has all requisite corporate power and authority to enter into this Agreement, to carry out the Contemplated Transactions and to perform its obligations hereunder. Each Buyer is qualified to do business in each state of the United States and foreign jurisdictions where the character of its assets or the nature or conduct of its business requires such qualification and where the failure to so qualify would materially affect such Buyer's ability to consummate the Contemplated Transactions.

Section 5.2 Authorization. Subject to approval by the Bankruptcy Court, the execution, delivery and performance of this Agreement, and the consummation of the Contemplated Transactions, have been duly authorized by all necessary corporate and other action on the part of each Buyer. This Agreement has been duly executed and delivered by a duly authorized officer of each Buyer. Each Buyer has the corporate power and authority necessary to enter into and perform its obligations under this Agreement and to carry out the Contemplated Transactions.

Section 5.3 Enforceability. Subject to approval by the Bankruptcy Court and the CCAA Court, this Agreement constitutes the valid and legally binding obligation of each Buyer, enforceable in accordance with its terms, except as such enforceability may be limited by equitable principles and by applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or similar laws relating to or affecting the rights of creditors generally.

Section 5.4 Compliance with Other Instruments and Laws. The execution, delivery and performance of this Agreement and the consummation of the Contemplated Transactions will not conflict with or result in any violation of or default under any provision (a) of the charter, bylaws or other organizational documents, as applicable, of either Buyer, or (b) of any mortgage, indenture, trust, lease, partnership or other agreement or other instrument, permit, concession, grant, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to either Buyer or any of their respective properties or assets, the result of

which, with respect to items identified in clause (b) would (either individually or in the aggregate) have a material adverse effect on the operations or financial condition of either Buyer and their respective subsidiaries, taken as a whole, or would materially impair either Buyer's ability to consummate the Contemplated Transactions (a "Material Adverse Effect on Buyer").

Section 5.5 Governmental Authorizations and Consents. Except as set forth on Schedule 5.5, no Consents, licenses, approvals or authorizations of, or registrations or declarations with, any Governmental Authority are required to be obtained or made by either Buyer in connection with the execution, delivery, performance, validity and enforceability of this Agreement, other than Bankruptcy Court and CCAA Court approval.

Section 5.6 Litigation. No Action is pending or, to the knowledge of either Buyer, threatened, against either Buyer or its properties, at law or in equity or before any Governmental Authority that seeks to question, delay or prevent the consummation of the Contemplated Transactions.

Section 5.7 Financial Capacity. Each Buyer has the financial capacity to consummate the Contemplated Transactions.

Section 5.8 Independent Investigation; No Other Representations or Warranties of the Sellers. The Buyers agree that none of Nexicore, Parent or any of their respective Affiliates or advisors have made and shall not be deemed to have made, nor have the Buyers or any of their Affiliates relied on, any representation, warranty, covenant or agreement, express or implied, with respect to Parent or Nexicore, the Business or the transactions contemplated by this Agreement, other than those representations, warranties, covenants and agreements explicitly set forth in this Agreement. The Buyers further acknowledge and agree that they have made their own investigation into, and based thereon have formed an independent judgment concerning, the Business and the Assets; *provided, however*, that this Section 5.8 shall not preclude the Buyers from asserting claims for indemnification in accordance with Article 10 or from bringing any claim for fraud.

Section 5.9 Canadian GST/HST Registration. Canadian Buyer is registered under Part IX of the Excise Tax Act (Canada) and its registration number is 13009 6365 RT 0001.

ARTICLE 6
COVENANTS RELATING TO PERSONNEL ARRANGEMENTS

Section 6.1 Employment of Sellers' Employees.

(a) Each of US Buyer and Canadian Buyer shall offer employment to such Employees of the US Business and the Canadian Business, respectively, as mutually agreed upon by Buyers and Sellers prior to the Closing Date, which employment will commence as of the day after the Closing Date, at rates of pay and under terms and conditions solely determined by the Buyers. All Employees of the Business accepting US Buyer's or Canadian Buyer's, as the case may be, offer of employment are hereinafter referred to as the "Hired Employees." On or prior to the Closing Date, the Sellers shall cause the termination of the employment of all the Employees who are Hired Employees.

(b) Except as otherwise provided herein, the Sellers shall be responsible for and shall discharge all obligations and liabilities attributable to the Hired Employees arising on or prior to the Closing Date (including, without limitation, any obligations or liabilities arising under any employment agreement, Contracts, or Benefit Plans). Buyers shall have no obligations or liabilities with respect to any current or former Employees who are not Hired Employees.

(c) US Buyer or Canadian Buyer, as the case may be, shall be responsible for all costs, expenses and Liabilities attributable to the Hired Employees accruing after the Closing Date, including, but not limited to, any costs, expenses or Liabilities incurred in connection with the termination of the employment of a Hired Employee after the Closing Date.

(d) Effective on the Closing Date, the Sellers shall, and hereby do, release all Hired Employees from any employment and/or confidentiality agreements previously entered into between the Sellers and such Hired Employees.

Section 6.2 Benefit Plans. Except as set forth herein, neither Buyer shall assume any Benefit Plan or any Liability with respect to any Benefit Plan. To the extent necessary, the Sellers may continue to communicate with the Hired Employees regarding their rights and entitlement to any benefits under the Benefit Plans. The parties shall cooperate with each other in the administration of all applicable employee benefit plans and programs. For purposes hereof, "Benefit Plans" shall mean any plans, programs, policies or arrangements maintained by, contributed to, or required to be maintained or contributed to by any Seller or any of its Affiliates, and under which any current or former Employees have any past, present or future rights to benefits, including, but not limited to, (a) any employee benefit plan as defined in Section 3(3) of ERISA, or (b) any other pension, profit sharing, retirement, deferred compensation, stock purchase, stock option, other equity-based incentive, bonus, performance, vacation, termination, retention, severance, disability, hospitalization, medical, life insurance or other employee benefit plan, program, policy or arrangement.

Section 6.3 Vacation Pay. Each Buyer agrees to give each of their respective Hired Employees credit for prior years of service with the Sellers for purposes of calculating vacation pay that may be received pursuant to the vacation pay policy of such Buyer as may be in effect from time to time after the Effective Time, and will waive any eligibility requirements of such policy with respect to the Hired Employees.

Section 6.4 Buyers Benefit Plans. Each Hired Employee shall receive credit for prior years of service with the respective Seller for purposes of eligibility to participate in and vesting under a Buyer's benefit plans (and not for purposes of accruing benefits under a retirement benefit plan).

Section 6.5 Employee Information and Transfer of Hired Employee Files.

(a) Prior to the Closing Date for Hired Employees and before and after the Closing Date for all other Employees, except as required by Applicable Law, the Buyers undertake to keep the Employee Information in confidence including taking the following actions:

(i) the Buyers shall restrict the disclosure of Employee Information only to such of its employees, agents and advisors as is reasonably necessary for the purposes of complying with its obligations pursuant to this Agreement;

(ii) the Employee Information shall not be disclosed to any Person other than those set forth in Section 6.5(a)(i) above (including, for the avoidance of doubt, any other employee of the Buyers) without the consent of the Sellers, such consent not to be unreasonably withheld; and

(iii) the Employee Information shall not be used except for the purposes of complying with the obligations of the Buyers pursuant to this Agreement and shall be returned to the Sellers or destroyed, at the Sellers' election, if this Agreement is terminated.

(b) To the extent permitted by law, on the Closing Date, or as soon as practicable thereafter, the Sellers shall deliver to a designee of each Buyer a copy of all historical personnel records of each of its respective Hired Employees, including, but not limited to, employment agreements, confidentiality and non-competition agreements, employment applications, corrective action reports, disciplinary reports, notices of transfer, notices of rate changes and other similar documents.

Section 6.6 COBRA Obligations. Notwithstanding anything in this Agreement to the contrary, US Buyer will be solely responsible for any obligations for notices and continuation coverage under Section 4980B of the Code and Part 6 of Subtitle B of Title I of ERISA with respect to its respective Hired Employees and all other individuals who are or become "M&A Qualified Beneficiaries" (as defined in Treasury Regulations Section 54.4980B-9) in connection with the consummation of the Contemplated Transaction.

Section 6.7 No Third-Party Beneficiaries. No provision in this Agreement shall create any third-party beneficiary rights in any current or former Employee or any spouse, beneficiary or dependent thereof.

ARTICLE 7
COVENANTS OF SELLERS

Section 7.1 Conduct of Business.

(a) Except as set forth on Schedule 7.1 or as may be otherwise expressly permitted by this Agreement or with the prior written consent of the Buyers, and subject to any order of the Bankruptcy Court or applicable provision of the Bankruptcy Code, from the date hereof and prior to the Closing, each Seller, as applicable, will: (i) operate the Business only in

the ordinary course consistent with the past practices of each Seller since the filing of the Bankruptcy Case; (ii) use commercially reasonable efforts to preserve intact the Transferred Assets and the organization of the Business; (iii) continue in full force and effect all existing insurance policies (or comparable insurance) of or relating to the Business; and (iv) use commercially reasonable efforts to preserve each Seller's relationships with its suppliers, customers, Employees, licensors and licensees and others having business dealings with such Seller relating to the Business.

(b) Without limiting the generality of (a), and except as may be otherwise expressly permitted by this Agreement, approved by the Bankruptcy Court, or required by an applicable provision of the Bankruptcy Code, or with the prior written consent of the Buyers, which shall not be unreasonably withheld, delayed or conditioned, from the date hereof through the Closing, neither Seller, as applicable, shall, with respect to the Business:

(i) enter into any material transaction in connection with the Business outside the ordinary course of business;

(ii) fail to conduct the Business in the ordinary course consistent with past practices since the filing of the Bankruptcy Case;

(iii) sell, lease, transfer, mortgage or assign any of the Transferred Assets, tangible or intangible, other than in the ordinary course of business;

(iv) cancel, compromise, knowingly waive or lease any material right or claim (or series of related rights and claims) under any Assumed Contract, outside the ordinary course of business;

(v) make any change in the rate of compensation, commission, bonus or other direct or indirect remuneration payable, or agree to pay, conditionally or otherwise, any material bonus, incentive, retention or other compensation, retirement, welfare, fringe or severance benefit or vacation pay, to or in respect of any Employee, other than the increases and payments in the ordinary course of business consistent with past practice in the compensation payable to employees of the Business; or

(vi) agree to do any of the foregoing.

Section 7.2 Name. The Sellers expressly agree that, on and after the Closing Date, neither Seller shall have any right, title or interest in any trade names, trademarks, identifying logos or service marks employing the word "Nexicore" or any variation thereof (the "Names") or any other trademarks, service marks, product line names, trade dress or other intangible assets included in the Transferred Assets or confusingly similar thereto. The Sellers agree that without the prior written consent of the Buyers, neither they nor any of their Affiliates shall make any use of the Names from and after the Closing Date. Within ten (10) days following the Closing, Nexicore shall amend its certificate of formation to amend the name of the limited liability company. The Sellers shall also provide each Buyer with such assistance as reasonably

requested by each Buyer in order to effectuate the transfer of trademarks, trade names and domain names within forty-five (45) days following the Closing Date.

Section 7.3 License. Parent and the Buyers shall, simultaneously with the Closing, execute a 6-month, royalty-free, worldwide license agreement to use the name "Hartford Computer Group" and any name or mark derived from or including the foregoing, including all corporate symbols or logos incorporating "Hartford Computer Group" or any variation thereof, in connection with the Business, substantially in the form of Exhibit C (the "License Agreement"), effective as of the Effective Time.

Section 7.4 Access. Subject to reasonable notice and as permitted by law, each Seller shall afford to each Buyer and their accountants and other agents and representatives reasonable access during normal business hours throughout the period prior to the Closing Date to all of the properties, Books and Records, and Contracts of the Business and, during such period, each Seller shall furnish promptly to the Buyers and their representatives in relation to the Business reasonable access to all other information concerning the business, properties and personnel of the Business as the Buyers may reasonably request. Each Seller shall promptly upon request provide the Buyers access to a true, complete and correct copy of each Assumed Contract. If access is restricted due to a term in the agreement or by Applicable Law, each Seller shall use its commercially reasonable efforts to secure consent from the other party(ies) to the agreement to provide such access prior to Closing with sufficient time for the Buyers to review. The Buyers will treat the documents and other material and information referred to in this Section 7.4 as confidential in compliance with Section 9.7. Notwithstanding anything herein to the contrary: (a) the Sellers may limit access to the extent reasonably necessary to avoid disruption of the Business; (b) no such investigation or examination shall be permitted to the extent that it would require either of the Sellers to disclose information subject to attorney-client privilege or conflict with any confidentiality obligations to which either or both the Sellers are bound; and (c) prior to the Closing, without the prior written consent of the Sellers (not to be unreasonably withheld or delayed), neither Buyer shall contact any suppliers to, or customers of, the Business with respect to the Business or the transactions contemplated hereunder.

Section 7.5 Noncompetition; Non-solicitation.

(a) For a period of five (5) years after the Closing Date, no Seller shall, in any of the countries in which a Seller engages in the Business, directly or indirectly invest in, own, manage, operate, finance, control, advise, render services to or guarantee the obligations of any Person engaged in or planning to become engaged in any business activities that would be in competition with a Buyer and/or any of their respective Affiliates in the Business, provided, however, that a Seller may purchase or otherwise acquire up to (but not more than) five percent (5%) of any class of the securities of any Person (but may not otherwise participate in the activities of such Person) if such securities are listed on any national or regional securities exchange or have been registered under Section 12(g) of the Exchange Act.

(b) For a period of five (5) years after the Closing Date, no Seller shall, directly or indirectly:

(i) solicit the business of any Person who is a customer of the Business;

(ii) cause, induce or attempt to cause or induce any customer, supplier, licensee, licensor, franchisee, employee, consultant or other business relation of the Business to cease doing business with a Buyer, to deal with any competitor of a Buyer or in any way interfere with its relationship with a Buyer;

(iii) cause, induce or attempt to cause or induce any customer, supplier, licensee, licensor, franchisee, employee, consultant or other business relation of the Business on the Closing Date or within the year preceding the Closing Date to cease doing business with a Buyer, to deal with any competitor of a Buyer or in any way interfere with its relationship with a Buyer; or

(iv) hire, retain or attempt to hire or retain any employee or independent contractor of a Buyer or in any way interfere with the relationship between a Buyer and any of their respective employees or independent contractors.

(c) If a final judgment of a court or tribunal of competent jurisdiction determines that any term or provision contained in Section 7.5(a) or (b) is invalid or unenforceable, then the parties agree that the court or tribunal will have the power to reduce the scope, duration or geographic area of the term or provision, to delete specific words or phrases or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision. This Section 7.5 will be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

(d) Notwithstanding anything to the contrary in this Agreement, in the event of a breach or threatened breach of this Section 7.5, each Buyer may, in addition to other rights and remedies existing in its favor, apply to a court of competent jurisdiction in accordance for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions of this Section 7.5 (without posting a bond or other security).

(e) The Sellers and the Buyers acknowledge that the covenants contained in this Section 7.5 are being granted to maintain or preserve the fair market value of the Transferred Assets acquired by the Buyers, and that no proceeds or other amount received or receivable under this Agreement by either Seller shall be for granting any restrictive covenant under this Agreement. The Buyers shall duly and timely make and file any elections (including any amended elections) that the Sellers may request, in order to ensure that no amount in respect of the restrictive covenants in this Section 7.5 is included in the income of either Seller under Section 56.4 of the ITA, as it is proposed to be amended on the date of this Agreement, or as it may be subsequently amended, or under analogous provisions of any other income tax legislation.

ARTICLE 8
COVENANTS OF BUYERS

Section 8.1 Investigation. In conducting their review of the Business, the Buyers shall conduct themselves so as to not unreasonably interfere with the Business or with the performance of Employees.

Section 8.2 Assistance with Respect to Excluded Assets. Following the Closing, upon request of a Seller, each Buyer will use its commercially reasonable efforts to assist such Seller in connection with the collection, maintenance or liquidation of the Excluded Assets. If any Buyer receives payment in respect of such items following the Closing, such Buyer shall promptly pay such amounts to such Seller or Parent, as applicable, and shall notify promptly each such payor that any and all payments by that payor to such Seller in the future should be made directly to such Seller or Parent, as applicable.

Section 8.3 Earnout. Following the Closing, the Buyers shall continue to abide by the terms and conditions set forth in Section 3.5(j). The Buyers shall treat any costs and expenses related to the implementation of the SAP software upgrade in accordance with Buyers' capitalization policies.

ARTICLE 9
COVENANTS OF BOTH PARTIES

Section 9.1 Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, each party will use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under Applicable Law and the terms of this Agreement to consummate the Contemplated Transactions, including the execution and delivery of any further instruments or documents which are reasonably requested by a party or its counsel to any party signatory hereto in order to evidence or facilitate the consummation of the Contemplated Transactions.

Section 9.2 Consents; Cooperation. The Sellers and the Buyers will use their commercially reasonable efforts:

(a) to obtain prior to the earlier of the date required (if so required) or the Closing Date, all authorizations, Consents, Orders, Permits or approvals of, or notices to, or filings, registrations or qualifications with, all Governmental Authorities (including, without limitation, the approval of the Bankruptcy Court and CCAA Court) and any other Person or entity that are required on their respective parts, for the consummation of the Contemplated Transactions;

(b) to defend, consistent with Applicable Law, any lawsuit or other legal proceeding, whether judicial or administrative, whether brought derivatively or on behalf of third Persons (including Governmental Authorities) challenging this Agreement or the Contemplated Transactions;

(c) to furnish to each other such information and assistance as may reasonably be requested in connection with the foregoing;

(d) to reasonably assist each other as necessary with regard to the determination of contract or order closeouts or other issues which affect the Assumed Contracts, to notify the Buyers of additional disallowances or potential adverse audit findings, and to consult and reach agreement with respect to advanced coordination of negotiating positions, offers of compromise, or final agreements or settlements, all such cooperation to be without charge to both parties to this Agreement; and

(e) to enter into mutually acceptable arrangements pursuant to which any payments recovered by a Seller following the Closing Date in respect of receivables arising under the Assumed Contracts following the Closing Date are promptly remitted to the appropriate Buyer.

Section 9.3 Communications with Customers and Suppliers. The Sellers and the Buyers will mutually agree upon all communications widely disseminated to suppliers and customers of the Business relating to this Agreement and the Contemplated Transactions prior to the Closing Date.

Section 9.4 Liability for Transfer Taxes.

(a) Transfer Taxes Generally. Parent shall prepare and timely file all Tax Returns required to be filed in respect of Transfer Taxes, provided, however, that Parent's preparation of any such Tax Returns shall be subject to the Buyers' approval which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the Sellers and the Buyers shall cooperate and use commercially reasonable efforts to obtain an order exempting the Buyers and the Sellers from Transfer Taxes in the Sale Order.

(b) US Transfer Taxes.

(i) The Sellers shall bear, be responsible for and pay in a timely manner all sales, use, value added, documentary, stamp, gross receipts, registration, transfer, conveyance, excise, recording, license and other similar Taxes and fees (including without limitation any goods and services tax, but for the avoidance of doubt, excluding any income Taxes) arising out of or in connection with or attributable to the Contemplated Transactions imposed by Governmental Authorities in the United States ("US Transfer Taxes") regardless of whether such Governmental Authority seeks to collect the US Transfer Taxes from the Sellers or the Buyers. Sellers shall prepare and timely file all Tax Returns required to be filed in respect of Transfer Taxes, provided, however, that Sellers' preparation of any such Tax Returns shall be subject to Buyers' approval, which approval shall not be unreasonably withheld, conditioned or delayed.

(ii) The Sellers and the Buyers recognize that the Contemplated Transactions may involve the sale of the Transferred Assets for which certain exemptions from various US Transfer Taxes may be applicable (including,

without limitation, an "isolated, casual or occasional sale," or a sale for resale). The Buyers shall, to the extent consistent with Applicable Law, provide Parent with any exemption or resale certificate, permit, license or such other documentation as may be required by a Governmental Authority to establish the right to an exemption from a US Transfer Tax.

(c) Canadian Transfer Taxes.

(i) Except as provided in Subsection (iv) below, the Sellers shall bear, be responsible for and pay in a timely manner all sales, use, value added, documentary, stamp, gross receipts, registration, transfer, conveyance, excise, recording, license and other similar Taxes and fees (including without limitation any goods and services tax, but for the avoidance of doubt, excluding any income Taxes) arising out of or in connection with or attributable to the Contemplated Transactions imposed by Governmental Authorities in Canada ("Canadian Transfer Taxes" and, together with US Transfer Taxes, "Transfer Taxes") regardless of whether such Governmental Authority seeks to collect the Canadian Transfer Taxes from the Sellers or the Buyers.

(ii) Each Seller and Canadian Buyer shall, if applicable, jointly elect to have Subsection 20(24) of the ITA apply to any future obligations assumed by Canadian Buyer and for which the Sellers have already received payment. Each of Canadian Buyer and Parent shall notify the CRA of the election under Subsection 20(24) when it files its Tax Return for the year of sale.

(iii) Parent and Canadian Buyer agree to elect jointly in the prescribed form under Section 22 of the ITA as to the sale of the accounts receivables relating to or forming part of the Canadian Assets as described in Section 22 of the ITA and to designate in such election an amount equal to the portion of the Purchase Price allocated to such assets in accordance with Section 3.3 as the consideration paid by Canadian Buyer therefor. Each of Canadian Buyer and Parent shall file two copies of such election with the CRA forthwith after execution thereof, and, in any event, with its Tax Return for the year of sale to make such election.

(iv) Parent and Canadian Buyer shall jointly elect under Section 167(1) of the *Excise Tax Act* (Canada), following the prescribed form and including the prescribed information, with respect to the purchase and sale of the Canadian Assets pursuant to the provisions of this Agreement such that no HST will be payable by Canadian Buyer upon and in connection with the transfer of the Canadian Assets to Canadian Buyer. Canadian Buyer shall file the joint election in accordance with the requirements of the *Excise Tax Act* (Canada). Notwithstanding any such election, subject to as hereinafter provided, in the event it is determined by the CRA or other competent Governmental Authority that there is a liability of the Canadian Buyer to pay, or of the Sellers to collect and remit, any amounts on account of GST/HST on all or part of the Purchase Price paid for the Canadian Assets, such GST/HST shall be forthwith paid by Canadian

Buyer to the CRA, the competent provincial or territorial Tax authority, or Sellers, as the case may be; provided, however, that the Canadian Buyer shall not be required to make such payment unless the Parent has provided the prescribed information necessary for the Canadian Buyer to obtain an input tax credit in the amount of such payments, in which case Parent shall pay such payment as provided for in Subsection (i) above.

(v) A copy of the elections described in Subsections (c)(ii), (c)(iii) and (c)(iv) above in a form acceptable to counsel for Canadian Buyer, acting reasonably, shall have been received by Canadian Buyer at the Closing Date.

Section 9.5 Tax Matters.

(a) **Allocation of Taxes; Liability for Taxes.**

(i) For the purposes of this Agreement, the amount of any Taxes based on or measured by income, receipts, property or operations allocated to a Pre-Closing Tax Period shall be determined based on an interim closing of the books as of the close of business on the Closing Date and the amount of other Taxes allocated to the Pre-Closing Tax Period shall be determined by multiplying the amount of such Taxes for the entire period by a fraction, the numerator of which is the number of calendar days in the period ending on the close of the Closing Date and the denominator of which is the number of calendar days in the entire period; and such obligations shall be allocated to the Post-Closing Tax Period by multiplying the amount of such Taxes for the entire period by a fraction the numerator of which is the number of calendar days in the period beginning on the day after the Closing Date and the denominator of which is the number of calendar days in the entire period.

(ii) The Buyers shall be liable for any Taxes applicable to the Transferred Assets that have been included in the Estimated US Tax Liabilities and the Estimated Canadian Tax Liabilities. The Sellers shall be liable for any Taxes applicable to the Transferred Assets allocable to a Pre-Closing Tax Period that have not been included in the Estimated US Tax Liabilities or the Estimated Canadian Tax Liabilities; and the Buyers shall be liable for any Taxes allocable to a Post-Closing Tax Period.

(b) **Responsibility for Filing Tax Returns.** With the exception of Tax Returns attributable to (i) the income, receipts, sales or payroll of the Sellers (which shall be filed by the Sellers) and (ii) Transfer Taxes (which shall be filed as set forth in Section 9.4(a)), the Buyers shall prepare or cause to be prepared and file or cause to be filed all Tax Returns with respect to the Transferred Assets that are filed after the Closing Date.

(c) **Cooperation on Tax Matters.** Parent and each Buyer shall, upon request, agree to furnish or cause to be furnished to each other, without charge and in a timely fashion, all information as is reasonably necessary to allow the Sellers or the Buyers, as the case may be, to file any Tax Returns for which such party is responsible, and determine the amount of Taxes due

thereon. Such assistance shall include, without limitation: (i) the provision on demand of books, records, Tax Returns, documentation or other information relating to any relevant Tax Return ("Tax Data"); (ii) the execution of any document that may be necessary or reasonably helpful in connection with the filing of any Tax Return, or in connection with any Action relating to Taxes, including, without limitation, the execution of powers of attorney and extensions of applicable statutes of limitations; and (iii) the use of reasonable efforts to obtain any documentation from any Governmental Authority or other Person that may be necessary or reasonably helpful in connection with the foregoing. Such cooperation shall include, without limitation, making their respective employees and independent auditors reasonably available on a mutually convenient basis for all reasonable purposes, including, without limitation, to provide explanations and background information and to permit the copying of books, records, schedules, workpapers, notices, revenue agent reports, settlement or closing agreements and other documents containing the Tax Data ("Tax Documentation"). If a third party is retained in connection with any review hereunder, the party retaining such third party shall be responsible for any fees and expenses for such third party.

(d) **Tax Proceedings**. The Buyers shall promptly notify Parent in writing upon receipt by the Buyers of any notice of any audits, examinations, adjustments, assessments, proceedings or other similar events relating to any Taxes imposed on the Transferred Assets relating to a Pre-Closing Tax Period (a "Tax Proceeding"). The Sellers may elect, within thirty (30) days of receiving such notice, to direct any Tax Proceeding, at its expense, that relates solely to a Pre-Closing Tax Period and for which the Sellers would solely be liable pursuant to Section 9.5(a) for any Taxes that may result (a "Sellers' Tax Contest") and to employ counsel of its choice; provided, however, that the Buyers shall have the right, at their expense, to consult with the Sellers regarding a Sellers' Tax Contest; and provided further, that the Sellers may not agree to settle any Sellers' Tax Contest without the Buyers' prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. The Buyers, at their expense, shall have the right to control all other Tax Proceedings (a "Buyers' Tax Contest"); provided, however, that the Sellers shall have the right, at their expense, to consult with the Buyers regarding a Buyers' Tax Contest if the Sellers would be liable pursuant to Section 9.5(a) for a portion of the Taxes that may result from the Buyers' Tax Contest; and provided, further, that the Buyers may not agree to settle any Buyers' Tax Contest without Parent's prior written consent, which consent shall be unreasonably withheld, conditioned or delayed, unless the Buyers agree to assume and become liable for all Taxes resulting from Buyers' Tax Contest.

(e) **Retention of Tax Data and Tax Documentation.** Parent and each Buyer shall retain or cause to be retained the Tax Data, the Tax Documentation, all Tax Returns, schedules and workpapers, and all material records or other documents relating thereto, until one year after the expiration of all applicable statutes of limitations (including any waivers or extension thereof) with respect to the Tax periods to which such Tax Returns and other documents relate or until the expiration of any additional period that either Buyers or Parent, as the case may be, may reasonably request in writing with respect to specifically designated material records or documents; provided, however, that in the event an audit, examination, investigation or other proceeding has been instituted prior to the expiration date of an applicable statute of limitations, the Tax Data and Tax Documentation relating thereto shall be retained until there is a final determination thereof (and the time for any appeal has expired). After the

expiration of the time when the Tax Data and the Tax Documentation must be retained pursuant to this Section 9.5, then any such material may be destroyed.

(f) **Tax Elections.** The Sellers shall not make any new elections with respect to Taxes, or make any material change in current elections with respect to Taxes, after the date of this Agreement without the prior written consent of the Buyers.

(g) **Section 116 of the ITA.**

(i) On or before the Closing, the Parent shall take all reasonable steps to obtain and deliver to the Canadian Buyer certificates of compliance issued by the Minister of National Revenue (Canada) under subsections 116(2) and 116(5.2) of the ITA in respect of its dispositions of the 116(2) Property and the 116(5.2) Property, respectively, to the Canadian Buyer, in each case with a certificate limit in an amount not less than the Canadian dollar equivalent of the portion of the Purchase Price allocated to the applicable Canadian Assets pursuant to Section 3.3. A certificate issued by the Minister of National Revenue (Canada) under subsections 116(2) or 116(4) in respect of such disposition of the 116(2) Property or under subsection 116(5.2) in respect of such disposition of the 116(5.2) Property is hereinafter described as a "Certificate of Compliance".

(ii) If a Certificate of Compliance in respect of the 116(2) Property is not delivered to the Canadian Buyer on or before (A) the payment by the Canadian Buyer of its portion of the Cash Closing Payment, (B) any release of a portion of the Canadian Escrow Amount to the Parent pursuant to Section 3.4(b)(v), or (C) a payment of the Canadian Buyer's portion of any Earnout Amount (each or any such payment being a "Canadian Buyer Payment"), or if a Certificate of Compliance is so delivered but the certificate limit or other relevant amount specified therein is not equal to or greater than the Canadian dollar equivalent of the portion of such Canadian Buyer Payment allocated to the 116(2) Property pursuant to Section 3.3, twenty-five percent (25%) of (X) if a Certificate of Compliance is not so delivered, such portion of such Canadian Buyer Payment or (Y) if a Certificate of Compliance is so delivered, the amount by which the portion of such Canadian Buyer Payment allocated to the 116(2) Property pursuant to Section 3.3 exceeds the U.S. dollar equivalent of such certificate limit or other relevant amount shall be withheld and delivered to an escrow agent (the "Canadian Tax Escrow Agent") to be held in accordance with a tax escrow agreement (the "Canadian Tax Escrow Agreement") to be entered into between the Parent, the Canadian Buyer and the Canadian Tax Escrow Agent substantially in the form attached hereto as Exhibit D.

(iii) If a Certificate of Compliance in respect of the 116(5.2) Property is not delivered to the Canadian Buyer on or before the payment of any Canadian Buyer Payment, or if a Certificate of Compliance is so delivered but the proposed proceeds of disposition or other relevant amount fixed in such certificate is not equal to or greater than the Canadian dollar equivalent of the portion of such Canadian Buyer Payment allocated to the 116(5.2) Property pursuant to Section

3.3, fifty percent (50%) of (X) if a Certificate of Compliance is not so delivered, such portion of such Canadian Buyer Payment or (Y) if a Certificate of Compliance is so delivered, the amount by which the portion of such Canadian Buyer Payment allocated to the 116(5.2) Property exceeds the U.S. dollar equivalent of the amount so fixed shall be withheld and delivered to the Canadian Tax Escrow Agent to be held in accordance with the Canadian Tax Escrow Agreement. The amounts withheld pursuant to Section 9.5(g)(ii) and this Section 9.5(g)(iii), which shall be in the Canadian Dollar equivalent of the amount to be withheld at the time of the applicable Canadian Buyer Payment, are hereinafter described as the "Withheld Amounts".

(iv) If, on or before the twenty-eighth day of the calendar month following the calendar month (or if such following calendar month is February, the twenty-sixth day) in which Canadian Buyer has delivered a Withheld Amount to the Canadian Tax Escrow Agent (the "Remittance Date") as such Remittance Date may be extended pursuant to Section 9.5(g)(v):

(A) the Canadian Tax Escrow Agent receives a Certificate of Compliance with a "certificate limit" at least equal to the applicable amount described in Section 9.5(g)(ii) or Section 9.5(g)(iii), the Canadian Tax Escrow Agent shall, immediately after receipt of such Certificate of Compliance, deliver the applicable Withheld Amount to Parent together with any income earned thereon (less any applicable withholding Taxes);

(B) the Canadian Tax Escrow Agent receives a Certificate of Compliance having a "certificate limit" less than the amount described in Section 9.5(g)(ii) or Section 9.5(g)(iii), the Canadian Tax Escrow Agent shall (i) remit to the CRA an amount equal to the amount which would have been required to be withheld pursuant to Section 9.5(g)(ii) or Section 9.5(g)(iii) above in place of such Withheld Amount had the Certificate of Compliance so received been delivered to the Canadian Buyer on or before the date of the Canadian Buyer Payment in respect of which such Withheld Amount was withheld; and (ii) remit to Parent such portion of the applicable Withheld Amount not required to be remitted to the CRA (if any), together with any income earned thereon (less applicable withholding Taxes); or

(C) the Canadian Tax Escrow Agent does not receive from the Parent any Certificate of Compliance, the Canadian Tax Escrow Agent shall remit to the CRA an amount equal to the applicable Withheld Amount.

For the avoidance of doubt, the Canadian Tax Escrow Agent shall not remit any amount referred to in this Section 9.5(g)(iv) to the CRA before the applicable Remittance Date, as such date may be extended pursuant to Section 9.5(g)(v).

(v) Notwithstanding anything to the contrary in this Section 9.5(g), if prior to the applicable Remittance Date, the Canadian Tax Escrow Agent has received a letter issued by the CRA confirming that the CRA will not enforce the applicable remittance of funds to the CRA within the time as is normally required under subsection 116(5) of the ITA (a "Comfort Letter"), the Canadian Tax Escrow Agent shall not make any applicable remittance to the CRA, or any other party, on the date that would otherwise be the applicable Remittance Date and such Remittance Date shall be extended indefinitely; provided, however, if after the date that would otherwise be the applicable Remittance Date and prior to the Canadian Tax Escrow Agent's receipt of a Certificate of Compliance, the Canadian Tax Escrow Agent receives notification from the CRA that a Comfort Letter is no longer in effect, the date of receipt of such notification will be deemed to be the applicable Remittance Date and the Canadian Tax Escrow Agent shall make any payments as otherwise required by this Section 9.5(g).

(vi) Notwithstanding anything to the contrary in this Section 9.5(g), if at any time the Canadian Tax Escrow Agent receives notice in writing from the CRA either (A) confirming that the Canadian Assets were not "taxable Canadian property" for the purpose of the ITA on the Closing Date; or (B) confirming, in a form reasonably satisfactory to Canadian Buyer and the Canadian Tax Escrow Agent, that the CRA will not require remittance of the applicable Withheld Amount to the CRA, the Canadian Tax Escrow Agent shall forthwith release the applicable Withheld Amounts (or in the case of a notice described in (A), all Withheld Amounts not previously released) to Parent, or as Parent may direct in writing, together with all interest or income earned thereon (less any applicable withholding Taxes).

(vii) Unless the context otherwise requires, the exchange rate used for purposes of this Section 9.5(g) to convert amounts between Canadian dollars and U.S. dollars shall be the Bank of Canada USD/CAD noon rate (ET) on the business day on which the applicable Canadian Buyer Payment is required to be made; provided that if the noon rate (ET) for the business day on which the applicable Canadian Buyer Payment is required to be made is not available at the time any such conversion is required to be made, such conversion shall be made using the noon rate (ET) for the preceding business day.

(viii) For purposes of this Section 9.5(g), where the Parent has provided to the Canadian Buyer or the Canadian Tax Escrow Agent, as the case may be, a single Certificate of Compliance with a certificate limit, proposed proceeds of disposition or other relevant specified amount, as the case may be, in excess of the amount required (the "Required Amount") to ensure that no amount is withheld pursuant to Section 9.5(g)(ii) or Section 9.5(g)(iii) in respect of a particular Canadian Buyer Payment, or that a Withheld Amount in respect of a particular Canadian Buyer Payment is released in full to the Parent pursuant to Section 9.5(g)(iv), the Parent shall be deemed to have provided the Canadian Buyer or the Canadian Tax Escrow Agent, as the case may be, with a Certificate of Compliance having a certificate limit, proposed proceeds of disposition or other relevant

specified amount, as the case may be, equal to the Required Amount in respect of such payment, and to have provided the Canadian Buyer or the Canadian Tax Escrow Agent, as the case may be, with a separate Certificate of Compliance having a certificate limit, proposed proceeds of disposition, or other relevant specified amount, as the case may be, equal to the amount of such excess. For the avoidance of doubt, this Section 9.5(g)(viii) shall also apply in respect of any such separate Certificate of Compliance deemed to have been provided.

(ix) Where the Parent has previously delivered Certificates of Compliance to the Canadian Buyer or the Canadian Tax Escrow Agent and the Parent is subsequently required to obtain new or amended Certificates of Compliance as a result of post-closing adjustment to the Purchase Price or change in the allocation of Purchase Price, then upon written request from the Parent, which request shall include an assurance that the Parent (or its advisors) has been advised by the CRA that it is prepared to issue new or amended Certificates of Compliance upon receipt of the old certificates, the Canadian Buyer or the Canadian Tax Escrow Agent, as the case may be, shall immediately return the original copy of any Certificate of Compliance previously delivered by the Parent, and the Parent shall deliver to the Canadian Buyer or the Canadian Tax Escrow Agent, as the case may be, the appropriate copy of the new or amended Certificates of Compliance promptly upon receipt thereof by the Parent from the CRA.

Section 9.6 Books and Records. Subject to the confidentiality provisions hereof, each Seller shall have the right to retain copies of the Books and Records. From and after the Closing and until the sixth anniversary thereof, (a) Parent agrees to grant to each Buyer, upon reasonable notice and during normal business hours, reasonable access to any books and records that pertain to the Business, but which are not Books and Records, to the extent it is operating and has books and records in its possession, and (b) each Buyer agrees to grant to Parent, upon reasonable notice and during normal business hours, reasonable access to any Books and Records included in the Transferred Assets that pertain to the operations of the Business on or prior to the Closing Date, including without limitation for the purpose of the calculation of the Closing US Working Capital or the Closing Canadian Working Capital.

Section 9.7 Confidentiality. If the Contemplated Transactions are not consummated, each party will immediately return or destroy all such confidential information and any and all copies thereof, however stored, and, if requested by the other party, shall certify conformity with this Section 9.7 in writing. The Buyers and the Sellers hereby acknowledge and agree that the Confidentiality Agreement dated March 21, 2011 between US Buyer and Paragon Capital Partners, LLC on behalf of Parent is terminated and superseded by the terms of this Section 9.7.

ARTICLE 10
INDEMNIFICATION

Section 10.1 Expiration of Representations and Warranties. The representations and warranties of the Sellers and the Buyers contained in any Transaction Document shall survive until the 2013 Earnout Amount, if any, has been calculated and paid to Parent (the

"Survival Period"). Neither the Buyers nor the Sellers shall be entitled to make any claim in respect of any representation or warranty after the expiration of the Survival Period, except that any claim initiated by a Buyer or Seller, as applicable, prior to the expiration of the Survival Period shall survive until it is settled or resolved pursuant to this Agreement.

Section 10.2 Indemnification.

(a) Each Seller, in accordance with the limitation set forth in Section 10.5 below, shall, jointly and severally, indemnify and defend each Buyer and hold them harmless from and against any Losses attributable to (i) any inaccuracy in or any breach of any representation or warranty of a Seller contained in this Agreement (without giving effect to any limitations or qualifications to such representations and warranties, including materiality, knowledge or subsequent supplements or updates to the Disclosure Schedule); (ii) any breach of any covenant or agreement of a Seller contained in this Agreement; and (iii) any Excluded Liabilities.

(b) Each Buyer shall jointly and severally, indemnify and defend each Seller and hold them harmless from and against any Losses attributable to (i) any inaccuracy in or any breach of any representation or warranty of a Buyer contained in any Transaction Document (without giving effect to any limitations or qualifications to such representations and warranties, including materiality, knowledge or subsequent supplements or updates to the Disclosure Schedule); (ii) any breach of any covenant or agreement of a Buyer contained in any Transaction Document; and (iii) any Assumed Liability.

Section 10.3 Mitigation. In the event either the Buyers, on the one hand, or the Sellers, on the other hand, become aware of any event which would reasonably be expected to give rise to any indemnifiable Losses hereunder, the Buyers or the Sellers, as the case may be, shall use commercially reasonable efforts to mitigate and otherwise minimize such Losses to the extent reasonably possible. Notwithstanding the foregoing, the failure of the Buyers or the Sellers, as the case may be, to use such efforts to mitigate shall not constitute a defense to, or in any way otherwise relieve any of the Buyers' or the Sellers', as the case may be, obligations to indemnify the other parties pursuant to this Agreement.

Section 10.4 Offset; Exclusive Remedy. Notwithstanding Section 10.2(a), the Buyers shall, as the sole and exclusive source of recovery, be entitled to offset the payment of any Earnout Amount being made to the Sellers pursuant to Section 3.5 by the amount of Losses for which the Sellers are liable pursuant to Section 10.2(a) (the "Indemnification Offset").

Section 10.5 Limitations.

(a) The Sellers shall not be required to indemnify, defend or hold harmless the Buyers for any Losses with respect to any claim unless such claim involves Losses in excess of $50,000, in which case the Buyers shall be entitled to indemnification of the full amount of such Losses subject to the other limitations set forth in this Article 10.

(b) The Buyers shall not be required to indemnify, defend or hold harmless the Sellers for any Losses with respect to any claim unless such claim involves Losses in excess

of $50,000, in which case the Sellers shall be entitled to indemnification of the full amount of such Losses subject to the other limitations set forth in this Article 10.

(c) Notwithstanding anything in this Agreement to the contrary, the Buyers' or the Sellers' obligation, as the case may be, to indemnify the other parties shall be reduced by the amount of any (i) Losses covered by such indemnified party's insurance (net of any deductibles paid by such indemnified party), (ii) Excluded Losses or (iii) net tax benefit attributable to the Losses if such net tax benefit (after taking into account any related taxable income, reductions in tax basis, appreciation or an amortization or similar items) is actually utilized by such indemnified party within eighteen (18) months after the incurrence of such Loss(es).

ARTICLE 11
BANKRUPTCY COURT APPROVAL; BID PROCEDURES; BREAK-UP FEES

Section 11.1 Bankruptcy Court Approvals. As promptly as practicable, the Sellers shall file with the Bankruptcy Court and the CCAA Court, as applicable, and serve on all parties required by applicable rules one or more motions, which attach a complete copy of this Agreement, seeking: (a) an expedited hearing before the Bankruptcy Court (the "Interim Hearing"), to be held within no more than thirty (30) days of the date on which the Sellers commence the Bankruptcy Case, for an order (the "Interim Order") approving, among other things, (i) the auction procedures set forth below as proposed by the Sellers and reasonably approved by the Buyers, (ii) the Seller's obligations regarding the Buyers' protections described herein, including the granting of administrative expense priority for and payment of the Break-Up Fee, and (iii) the adequacy of the extent and method of notice to creditors, possible competing bidders, and parties in interest of a final hearing to approve the Contemplated Transactions (the "Sale Hearing"), and setting a date for the Sale Hearing; (b) an order of the CCAA Court pursuant to Part IV of the CCAA recognizing and giving full force and effect to the Interim Order throughout Canada (the "Interim Recognition Order"); (c) an order, in form and substance satisfactory to the Buyers, authorizing, among other things, the Sellers to sell the Transferred Assets and assign the Assumed Contracts to the Buyers pursuant to this Agreement and Sections 363 and 365 of the Bankruptcy Code, free and clear of all interests in those assets and contracts except for the Assumed Liabilities (the "Sale Order"); and (d) an order of the CCAA Court pursuant to Part IV of the CCAA recognizing and giving full force and effect to the Sale Order throughout Canada (the "Sale Recognition Order").

Section 11.2 Obtaining the Orders. The Sellers shall use its best efforts to obtain (a) the Interim Order within thirty (30) days of the commencement of the Bankruptcy Case and the Sale Order within one hundred twenty (120) days of the commencement of the Bankruptcy Case and (b) the Interim Recognition Order and the Sale Recognition Order within five (5) days of, respectively, the Interim Order and the Sale Order. The Interim Order, the Sale Order, the Interim Recognition Order and the Sale Recognition Order shall be in form and substance acceptable to the Buyers in all material respects. The Sellers shall use their best efforts to ensure that the Sale Order contains, among other things, express waivers of the stays provided in Bankruptcy Rule 6004(g) and 6006(d).

Section 11.3 Consideration of Competing Bids. The Buyers acknowledge that the Sellers, through their officers and their agents and professionals, shall solicit, negotiate, and otherwise discuss with any entity the submission of a competing bid for the assets to be sold under this Agreement (a "Competing Bid" by a "Competing Bidder") or any similar transaction involving the assets to be sold and the contracts to be assumed and assigned to the Buyers under this Agreement, but, subject to any order of the Bankruptcy Court:

(a) the Sellers must provide to the Buyers a complete copy of any Competing Bid received (redacting only any confidential information contained in it) within two business days of receiving it; and

(b) any Competing Bid must conform to the requirements for a Qualified Bid set forth below.

Section 11.4 Submission of Competing Bids. All Competing Bids must be in writing and submitted to counsel for the Sellers, counsel for the Buyers and all other parties approved by the Bankruptcy Court on or before 5:00 p.m. Central Time seven days before the Sale Hearing.

Section 11.5 Qualification of Competing Bids. Only Competing Bids that meet all the following requirements are "Qualified Bids" eligible to be considered at the Auction:

(a) The Competing Bid must be in writing and include a markup of this Agreement showing the changes to it the Competing Bidder requires;

(b) The Competing Bid must provide consideration in an amount no less than the total of the Cash Payment *plus* the Break-Up Fee *plus* a minimum overbid increment of $100,000 (collectively, a "Minimum Overbid");

(c) The Competing Bid must be accompanied by a good faith, refundable deposit of no less than 10% of the Purchase Price, plus additional indicia of ability to immediately close the transactions contemplated by the Competing Bid, including adequate assurance of future performance of any executory contract or unexpired lease that would be assumed and assigned to the Competing Bidder under the Competing Bid, with the Sellers reserving the right, in their sole reasonable discretion as informed by their professionals, to determine the sufficiency of such indicia and the need and adequacy of assurance of future performance;

(d) The Competing Bid must be on terms more favorable and not more burdensome or conditional in any material respect than the Contemplated Transactions in respect of, among other things, price, conditions on closing, third-party consents, and regulatory approvals, as determined by the Sellers in their sole reasonable discretion as informed by their professionals; and

(e) The Competing Bidder must submit to the Sellers, by the close of the Auction, an instrument of irrevocable commitment to the terms of the Competing Bid.

Section 11.6 Sale Hearing. The Sellers will, at the Sale Hearing, conduct a session of bidding among the Buyers and all Competing Bidders submitting a Qualified Bid (the

"Auction") to determine the highest and best bid for Contemplated Transactions, subject to the approval by the Bankruptcy Court. The Buyers and all such Competing Bidders may increase their bids as many times as they wish and the Bankruptcy Court permits, with the Buyers receiving cash credit for the Break-Up Fee on all subsequent bids. All bids must exceed the cash component of any previous bid by no less than $100,000 in cash compensation. At the close of all bidding, the Sellers will determine the highest and best bid, and the Bankruptcy Court will hear and resolve any objections to the entry of the Sale Order.

Section 11.7 Break-Up Fee. Subject to entry of the Interim Order and other orders of the Bankruptcy Court, if the Bankruptcy Court approves a Competing Bid as the highest and best bid, the Buyers will be entitled to be paid the Break-Up Fee of One Million Seven Hundred Seventy-Five Thousand Dollars ($1,775,000). Subject to entry of the Interim Order, the Break-Up Fee will constitute an administrative expense under Section 503 of the Bankruptcy Code of the Sellers' bankruptcy estates, to be paid solely from the proceeds of the closing of the transactions contemplated in the successful Competing Bid.

ARTICLE 12
CONDITIONS TO OBLIGATIONS OF BUYERS TO CLOSE

The obligations of the Buyers to purchase the Transferred Assets and otherwise consummate the Contemplated Transactions are subject to the satisfaction, as of the Closing Date, of the following conditions (any of which may be waived by the Buyers, in their sole discretion, in whole or in part):

Section 12.1 Accuracy of Representations and Warranties. The representations and warranties of each Seller set forth in Article 4, without giving effect to any materiality or Material Adverse Effect on the Business qualifications therein, shall be accurate in all material respects as of the Closing, as though made on and as of the Closing Date, except to the extent that any of such representations and warranties refers specifically to a date other than the Closing Date, in which case such representation or warranty shall have been accurate in all material respects as of such other date.

Section 12.2 Performance. Each Seller shall have performed in all material respects all obligations required by this Agreement to be performed by each Seller on or before the Closing Date.

Section 12.3 No Conflict. The Contemplated Transactions and the consummation of the Closing shall not be illegal or prohibited under any Applicable Law. No Order issued by any court of competent jurisdiction or any competent Governmental Authority or any other legal restraint or prohibition preventing the Contemplated Transactions shall be in effect, and there shall be no pending or threatened Actions that result, or would reasonably be expected to result, in a Material Adverse Effect on the Business.

Section 12.4 Certificate. The Buyers shall have received from a duly authorized officer of each Seller a certificate dated the Closing Date confirming, to such Seller's Knowledge, that the conditions in Section 12.1, Section 12.2 and Section 12.3 have been satisfied.

Section 12.5 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order, in form and substance satisfactory to the Buyers in all material respects, and the implementation, operation or effect of such order shall not be stayed or any stay entered shall have been dissolved.

Section 12.6 CCAA Court Approval. The CCAA Court shall have entered the Sale Recognition Order in form and substance satisfactory to the Buyers in all material respects, and the implementation, operation or effect of such order shall not be stayed or any stay entered shall have been dissolved.

Section 12.7 Consents. All approvals, Consents, waivers and authorizations required to be obtained by each Seller in connection with the Contemplated Transactions that are identified on Schedule 12.7 shall have been obtained and shall be in full force and effect.

Section 12.8 Transfer Documents. Each Seller shall have delivered to the Buyers at the Closing all documents, certificates and agreements necessary to transfer to US Buyer and Canadian Buyer all of each Seller's right and title to and interests in the US Assets and the Canadian Assets, respectively, including, without limitation:

(a) bills of sale, assignments and general conveyances, in form and substance reasonably satisfactory to US Buyer and Canadian Buyer, dated the Closing Date, with respect to the US Assets and the Canadian Assets, respectively; and

(b) assignments of all Assumed Contracts and any other agreements and instruments constituting the US Assets and the Canadian Assets, dated the Closing Date, assigning to US Buyer and Canadian Buyer, respectively, all of each Seller's right, title and interest therein and thereto.

Section 12.9 Transaction Documents. Each Buyer and each Seller shall have entered into the Transaction Documents.

Section 12.10 Employment Agreements. Each of the individuals set forth on Schedule 12.10 (the "Designated Individuals") shall have entered into an employment agreement with such Buyer as identified on Schedule 12.10 (the "Employment Agreements") in a form satisfactory to such Buyer.

Section 12.11 Retail Sales Tax Certificate. Parent shall have delivered to Canadian Buyer a certificate issued pursuant to Section 6 of the Retail Sales Tax Act (Ontario) which indicates that all Ontario provincial sales tax collectible or payable by Parent under the said Act up to and including the Closing Date have been paid or that indicates that Parent has entered into an arrangement satisfactory to the Minister of Revenue (Ontario) for the payment of such provincial sales tax or for securing their payment. Notwithstanding the foregoing, Parent and the Canadian Buyer shall cooperate and use commercially reasonable efforts to obtain an order exempting the Canadian Buyer and Parent from compliance with Section 6 of the Retail Sales Tax Act (Ontario).

Section 12.12 Further Instruments. Each Seller shall deliver to each Buyer such further instruments of assignment, conveyance or transfer or other documents of further assurance as each Buyer may reasonably request in advance of the Closing.

ARTICLE 13
CONDITIONS TO OBLIGATIONS OF SELLERS TO CLOSE

The obligations of the Sellers to sell the Transferred Assets and otherwise consummate the Contemplated Transactions are subject to the satisfaction, as of the Closing Date, of the following conditions (any of which may be waived by the Sellers, in their sole discretion in whole or in part):

Section 13.1 Accuracy of Representations and Warranties. The representations and warranties of the Buyers set forth in Article 5, without giving effect to any materiality or Material Adverse Effect on Buyer qualifications therein, shall be accurate in all material respects as of the Closing, as though made on and as of the Closing Date, except to the extent that any of such representations and warranties refers specifically to a date other than the Closing Date, in which case such representation or warranty shall have been accurate in all material respects as of such other date.

Section 13.2 Performance. Each Buyer shall have performed in all material respects all obligations required by this Agreement to be performed by each Buyer on or before the Closing Date except where the failure to perform such obligations did not and would not reasonably be expected to result in a Material Adverse Effect on such Buyer.

Section 13.3 No Conflict. The Contemplated Transactions and the consummation of the Closing shall not be illegal or prohibited under any Applicable Law. No Order issued by any court of competent jurisdiction or any competent Governmental Authority or any other legal restraint or prohibition preventing the Contemplated Transactions shall be in effect, and there shall be no pending or threatened Actions that result, or would reasonably be expected to result, in a Material Adverse Effect on such Buyer.

Section 13.4 Certificate. The Sellers shall have received from a duly authorized officer of each Buyer a certificate dated the Closing Date confirming, to such Buyer's knowledge, that the conditions in Section 13.1, Section 13.2 and Section 13.3 have been satisfied.

Section 13.5 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order, in form and substance satisfactory to the Sellers in all material respects, and the implementation, operation or effect of such order shall not be stayed or any stay entered shall have been dissolved.

Section 13.6 CCAA Court Approval. The CCAA Court shall have entered the Sale Recognition Order in form and substance satisfactory to the Sellers in all material respects, and the implementation, operation or effect of such order shall not be stayed or any stay entered shall have been dissolved.

Section 13.7 Assumption Agreement. The Sellers shall have received from each Buyer an assumption agreement, in form and substance satisfactory to the Sellers, under which each Buyer shall have assumed their respective Assumed Liabilities.

Section 13.8 Resale Certificate. US Buyer shall have delivered to the Sellers duly executed resale certificates for all Inventory transferred to US Buyer, in form satisfactory to the Sellers.

Section 13.9 Transaction Documents. Each Buyer and each Seller shall have entered into the Transaction Documents.

Section 13.10 Further Instruments. Each Buyer shall deliver to each Seller such further instruments of assumption or other documents of further assurance as each Seller may reasonably request in advance of the Closing.

ARTICLE 14
TERMINATION

Section 14.1 Right to Terminate Agreement. This Agreement may be terminated and the Contemplated Transactions may be abandoned at any time prior to the Closing (the actual date on which this Agreement is terminated being referred to herein as the "Termination Date"):

(a) by the Buyers or the Sellers, if the Closing has not occurred on or before April 3, 2012 (the "Outside Date"), unless such failure to close is due to the failure of the party seeking to terminate this Agreement to comply fully with its obligations under this Agreement;

(b) by mutual written consent of the Buyers and the Sellers, subject to any necessary Bankruptcy Court approval;

(c) by the Buyers, if (i) any of the conditions in Article 12 have not been satisfied or if satisfaction of any such condition is or becomes impossible as of the Outside Date (other than through the failure of a Buyer to comply with such Buyer's obligations under this Agreement), and (ii) is not cured within thirty (30) days after the Buyers gives the Sellers written notice identifying in reasonable detail any such failure;

(d) by the Sellers, if (i) any of the conditions in Article 12 have not been satisfied or if satisfaction of any such condition is or becomes impossible as of the Outside Date (other than through the failure of a Seller to comply with such Seller's obligations under this Agreement), and (ii) is not cured within thirty (30) days after the Sellers gives the Buyers written notice identifying in reasonable detail any such failure;

(e) by either the Sellers or the Buyers, if any court or Governmental Authority has issued a final and non-appealable order, decree or ruling permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated by this Agreement; or

(f) automatically, upon the closing of a sale of the Business to a Competing Bidder if the Bankruptcy Court shall have entered an Order approving a Competing Bid.

Section 14.2 Effect of Termination. Upon the termination of this Agreement pursuant to Section 14.1, the Buyers shall promptly cause to be returned to the Sellers all documents and information obtained in connection with this Agreement and the Contemplated Transactions and all documents and information obtained in connection with the Buyers' investigation of the Business, including any copies made by or supplied to the Buyers or any of the Buyers' respective agents of any such documents or information.

Section 14.3 Remedies. Notwithstanding anything herein to the contrary, the Buyers' exclusive remedies for termination of this Agreement pursuant to Section 14.1(f) hereof prior to Closing shall be, if available, their right to the Break-Up Fee solely as provided in the Interim Order and only under the terms and conditions described therein. No party shall be entitled to specific performance.

ARTICLE 15
AGREEMENT CONVENTIONS

Section 15.1 Further Assurances. Each party agrees, at any time and from time to time after the Closing Date, upon reasonable request from the other party, to do, execute, acknowledge and deliver, as appropriate, such further acts, deeds, assignments, transfers, conveyances, assumptions, and powers of attorney as may reasonably be required for (a) the better assigning, transferring, granting, conveying, assuming, assuring and confirming to such other party, or its successors and assigns, of any of the assets, properties or liabilities to be assigned to it, or (b) the reassignment or return to each Seller of assets that may have been inadvertently assigned, transferred or delivered to a Buyer but should not have been so assigned, transferred or delivered, in each case as provided in the Transaction Documents.

Section 15.2 Notices. All notices, requests, demands, waivers and other communications required or permitted to be given under the Transaction Documents shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, (c) sent by next-day or overnight mail or courier or (d) sent by facsimile transmission. All such notices, requests, demands, waivers and other communication shall be deemed to have been received (i) if by personal delivery, upon delivery, (ii) if by certified or registered mail, on the third Business Day after the mailing thereof, (iii) if by next-day or overnight mail or courier, on the Business Day after such mailing, (iv) if by facsimile, three hours after the sender receives a fax confirmation, unless the fax is sent after 5:00 p.m. on a Business Day or on a non-business day, in which case it shall be deemed received on the next Business Day.

If to US Buyer or Canadian Buyer:

Avnet, Inc.
2211 S. 47th Street
Phoenix, Arizona 85034
Attention: David R. Birk, Senior Vice President & General Counsel

Tel: 480-643-7753
Fax: 480-643-7877

with a copy to:

Squire, Sanders & Dempsey L.L.P.
1 E. Washington Street
Suite 2700
Phoenix, Arizona 85004
Attention: Frank L. Placenti, Esq.

Tel: 602-528-4004
Fax: 602-253-8129

If to Nexicore or Parent, to:

Hartford Computer Group, Inc.
c/o Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661
Attention: John P. Sieger

Tel: (312) 902-5294
Fax: (312) 902-1061

or, in each case, to such other address as may be specified in writing to the other parties.

Any party may give any notice, instruction or communication in connection with the Transaction Documents using any other means (including personal delivery, telecopy or ordinary mail), but no such notice, instruction or communication shall be deemed to have been delivered unless and until it is actually received by the party to whom it was sent. Any party may change the address to which notices, instructions, or communications are to be delivered by giving the other parties to the Transaction Documents notice thereof in the manner set forth in this Section 15.2.

Section 15.3 Assignment. This Agreement may not be assigned by either party, provided, however, that each Buyer may assign any or all of such Buyer's rights and delegate any or all of such Buyer's duties under this Agreement to any Affiliate of such Buyer, but no assignment shall relieve a Buyer of its obligations under this Agreement. Subject to the foregoing, this Agreement and the rights and obligations set forth herein shall inure to the benefit of, and be binding upon, the parties hereto and each of their respective successors, heirs and permitted assigns.

Section 15.4 Entire Agreement; Amendment; Governing Law; Etc. The Transaction Documents (together with the Exhibits and Schedules thereto) embody the entire agreement and understanding among the parties hereto with respect to the subject matter thereof. The Transaction Documents may be amended, modified, waived, discharged or terminated only by (and any consent hereunder shall be effective only if contained in) an instrument in writing signed by the party against which enforcement of such amendment, modification, waiver,

discharge, termination or consent is sought. The Transaction Documents shall be construed in accordance with and governed by the laws of the State of Delaware as it applies to contracts to be performed entirely within Delaware.

Section 15.5 Consent to Jurisdiction. THE BANKRUPTCY COURT SHALL HAVE JURISDICTION OVER ALL MATTERS, INCLUDING, BUT NOT LIMITED TO, ANY LEGAL ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTION DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY AND THE INTERPRETATION, IMPLEMENTATION AND ENFORCEMENT OF THIS AGREEMENT, AND THE PARTIES HERETO IRREVOCABLY SUBMIT AND CONSENT TO SUCH JURISDICTION.

Each Buyer and each Seller further agrees that service of any process, summons, notice or document by U.S. registered mail to such party's respective address set forth in Section 15.2 shall be effective service of process for any action, suit or proceeding with respect to any matters to which it has submitted to jurisdiction as set forth above. Each Buyer and each Seller irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement in the Bankruptcy Court, and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. In the event that a court should find that subject matter jurisdiction is not available in the Bankruptcy Court, the Buyers and the Sellers hereby agree to submit any and all disputes arising out of this Agreement to the jurisdiction and venue of the U.S. District Court for the Northern District of Illinois.

Section 15.6 Costs. If any legal Action or any arbitration or other proceeding is brought because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that Action or proceeding, in addition to any other relief to which it or they may be entitled.

Section 15.7 Expenses. Except as set forth herein, each party will bear its own expenses in connection with the transactions described herein (including without limitation all fees of counsel, consultants, and accountants).

Section 15.8 Severability. Any term or provision of the Transaction Documents that is invalid or unenforceable in any jurisdiction, as to such jurisdiction, shall be ineffective to the extent of such invalidity or unenforceability, without rendering invalid or unenforceable the remaining terms and provisions of the Transaction Documents or affecting the validity or enforceability of any of the terms or provisions of the Transaction Documents in any other jurisdiction.

Section 15.9 Reliance on Counsel and Other Advisors. Each party has consulted such legal, financial, technical or other experts as it deems necessary or desirable before entering into the Transaction Documents. Each party represents and warrants that it has read, knows, understands and agrees with the terms and conditions of the Transaction Documents.

Section 15.10 Exhibits and Schedules. Each of the Exhibits and Schedules referred to in the Transaction Documents and attached thereto is an integral part of the Transaction Documents and is incorporated in the respective Transaction Documents by this reference.

Section 15.11 Rules of Construction. Unless the context otherwise requires: (a) a term has the meaning assigned to it; (b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP; (c) references in the singular or to "him," "her," "it," "itself," or other like references, and references in the plural or the feminine or masculine reference, as the case may be, shall also, when the context so requires, be deemed to include the plural or singular, or the masculine or feminine reference, as the case may be; (d) the use of the word "including" shall mean including, without limitation, with regard to the items listed thereafter; (e) provisions apply to successive events and transactions; (f) references to Articles, Sections, Schedules and Exhibits in a Transaction Document shall refer to Articles, Sections, Schedules and Exhibits of that Transaction Document, unless otherwise specified; (g) the headings in the Transaction Documents are for convenience and identification only and are not intended to describe, interpret, define or limit the scope, extent, or intent of the respective Transaction Documents or any provision thereof; (h) the Transaction Documents shall be construed without regard to any presumption or other rule requiring construction against the party that drafted and caused the Transaction Documents to be drafted; (i) the use of the term "specific" in relation to a subject means relating exclusively to that subject; and (j) references to "commercially reasonable efforts" in the Transaction Documents shall require the efforts that a prudent person desirous of achieving a commercially reasonable result would use in similar circumstances to achieve a result within a commercially reasonable time.

Section 15.12 Currency. Unless otherwise indicated all dollar amounts referred to in this Agreement, including the symbol $, refer to lawful money of the United States.

Section 15.13 Counterparts. This Agreement may be executed in two or more counterparts, and with counterpart signature pages, each of which shall be an original, but all of which together shall constitute one and the same Agreement, binding on all of the parties hereto notwithstanding that all such parties have not signed the same counterpart. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in "portable document format" (.pdf) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

[Remainder of page intentionally left blank]

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

BUYERS:

US BUYER

AVNET, INC.

By: _____
Name: David R. Birk
Title: Sr. Vice President

CANADIAN BUYER

AVNET INTERNATIONAL (CANADA) LTD.

By: _____
Name: Raymond Sadowski
Title: Vice President

SELLERS:

NEXICORE

NEXICORE SERVICES, LLC

By: _____
Name: _____
Title: _____

PARENT

HARTFORD COMPUTER GROUP, INC.

By: _____
Name: _____
Title: _____

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

BUYERS:

US BUYER

AVNET, INC.

By: _____
Name: _____
Title: _____

CANADIAN BUYER

AVNET INTERNATIONAL (CANADA) LTD.

By: _____
Name: _____
Title: _____

SELLERS:

NEXICORE

NEXICORE SERVICES, LLC

By: _____
Name: Brian Mittman
Title: Manager

PARENT

HARTFORD COMPUTER GROUP, INC.

By: _____
Name: Brian Mittman
Title: President and CEO